

# The NATIONAL UNDERWRITER

*Life Insurance Edition*



## The Returning Veteran

... PROBLEM OR OPPORTUNITY?

At the rate of more than 100,000 a month, young men from the Armed Services are returning to civilian life. Eventually over 11,000,000 of our nation's finest will be back with us.

Absorbing these men into the economic life of the nation is going to present difficulties. Adjustments and rearrangements will have to be made and help and encouragement offered.

But the *problem* part of this national readjustment has been *over-emphasized* . . . The *opportunity* part has *not* been emphasized enough! For the returning veteran is the hope of all of us for a better America than we have ever known before. The future of our nation is in his hands.

### *Experienced beyond his years*

His youth, strength and energy, backed up by experience beyond his years; his imagination, initiative and capacity for leadership; his idealism, seasoned by a hard-won grasp of realities, and his common sense—these precious things, as they flow into the stream of our nation's life, hold extraordinary promise.

Consider the impact on our thinking of millions of men like this! Big industrial organizations, small business enterprises, farms, government, the arts and sciences—all will benefit from the return to the home front of these clear-eyed, straight-

thinking, vigorous young men—the finest specimens of our entire population.

With these young men of America back with us, establishing families and building homes, we will have little to fear for the American way of life, much to hope for in economic and social progress.

Do you wonder that the returning veteran doesn't want to be treated as a hero? . . . That he doesn't want sentimentality; and, above all, doesn't want to be regarded as a "problem." All he asks is an opportunity to show what he can do. And he is going to *get* that opportunity!

### *At Equitable—jobs as good, or better*

The Equitable Life Assurance Society of the United States has 2,039 of its employees and agents serving in the Armed Forces. They will return to jobs as good or better than the ones they left. A number already have! Equitable veterans will receive "refresher" courses to bring them up-to-date on the newest developments in life insurance and in Equitable services. More than that, Equitable plans to provide them with opportunities to advance themselves, because we know that by so doing we will help Equitable serve its policyholders and insure continuing progress in broadening the Society's services to the American public.

*Thomas I. Parkinson*  
PRESIDENT

## THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

THOMAS I. PARKINSON, President

393 Seventh Avenue, New York 1, N. Y.

Tune in The Equitable's coast-to-coast radio program, "THIS IS YOUR FBI," presented as a public service over the Blue Network every Friday evening, 8:30 P. M., E. W. Time; 7:30 P. M., C. W. Time; 6:30 P. M., M. W. Time; 8 P. M., P. W. Time.

THIS ADVERTISEMENT IS APPEARING IN THE PRINCIPAL NEWSPAPERS THROUGHOUT THE COUNTRY

**FRIDAY, AUGUST 31, 1945**

# SERVICE CALLS THAT MEAN SALES!

Many of your clients need a Union Mutual noncancellable, guaranteed renewable Sickness and Accident Policy to round out the personal insurance with which you are already supplying them. By providing your clients with this added protection, you will be doing them a very real service and, at the same time, be able to make service calls mean sales... sales of additional life insurance issued by the company you now represent, as well as of Union Mutual's Non-Can.



Union Mutual's Non-Can Sickness and Accident Policies are sold only through selected full-time career Life Underwriters. Write us today for "The Whole Story" about our new Colonial Series.

**Colonial Series**  
**NON-CANCELLABLE**  
**Guaranteed Renewable**  
**SICKNESS & ACCIDENT**  
POLICIES BY



**UNION MUTUAL**  
LIFE INSURANCE COMPANY

Portland MAINE Home Office  
Rolland E. Irish, President

THE NINTH OLDEST LIFE INSURANCE COMPANY IN AMERICA



## Limitless OPPORTUNITY

"In my opinion, our Q. V. S. Contract typifies democracy at its best in the equal opportunity it affords for all. It pays in full for every ounce of effort you put forth! The regular monthly Q. V. S. check is a natural for stimulating the enthusiasm and initiative that makes a successful Field Underwriter and a successful Agency."

FIDEL ROMERO,  
Agency Mgr., Albuquerque, N. M.

OUR 40TH  
ANNIVERSARY  
1905 - 1945

Write for Q-V-S Booklet

**THE CAPITOL LIFE INSURANCE CO.**

Clarence J. Daly, President  
W. V. Woollen, Agency Vice President  
Home Office—Denver 5, Colorado

**COUNTRY LIFE**  
INSURANCE COMPANY

*"Outstanding  
in Every Respect"*

HOME OFFICE • CHICAGO, ILLINOIS



## Waiving of Fee if Insurance Is Bought Held Rebate in Ohio

### Attorney-General's Opinion Bars Typical Pension Sales Agreement

COLUMBUS—An agreement under which an agent, for a fee, undertakes to set up a pension plan for a prospective buyer and to waive the fee in the event the plan is effectuated through life insurance or annuities violates the Ohio anti-rebate laws, Attorney-general Jenkins of Ohio has ruled in opinion given Superintendent Dressel of the Ohio department.

The agreement on which the opinion is based is of a type used by agents writing pension trust plans, according to Superintendent Dressel. It provides that if wholly self-administered pension plan is adopted the agent shall be paid a fee of \$7,500; that if a group annuity or insured plan is adopted the agent will be the sole agent or broker and shall receive no fee, and that if no pension plan is adopted by a specified date the agent shall be paid a termination fee of \$4,500. The agreement also contains a basis for partial fees in case the first year premiums are less than a specified amount.

#### May Affect Pension Trusts

The Ohio attorney-general's opinion is of widespread interest, for if followed generally and upheld by the courts it would mean an important change in the sales procedure of many agents who solicit pension trust business. The principle involved—waiving the fee provided insurance is purchased—is used widely.

The opinion holds that the stipulation that no fee shall be payable in the event sufficient insurance or annuities are purchased constitutes an inducement to buy the insurance and that hence it violates the anti-rebate laws. In quoting the Ohio law the attorney-general underscores among the list of prohibited inducements such phrases as "any valuable consideration whatsoever," "any paid employment or contract for services of any kind or anything of value."

#### Attorney-general Comments

After analyzing the specimen agreement submitted by the insurance department the attorney-general says that "the agent agrees that if the insured accepts any plan providing for insurance whereby the agent is to receive a commission from his insurance company then and in that event the agent will relieve the insured in whole or in part from any obligation to pay for his services theretofore earned under the contract. It would seem clear that this is a valuable consideration which may induce the insured to purchase insurance which he might not otherwise have purchased."

#### C.L.U. Award to 38 in Canada

The Life Underwriters Association of Canada has granted the C.L.U. designation to 38 candidates as a result of the examinations held in June. There are 77 others who have successfully completed the third year and all prior examinations but have not yet qualified for the award in other respects.

## A. L. Kirkpatrick Is U. S. Chamber Insurance Chief

WASHINGTON—Official announcement is made this week of the appointment of A. L. Kirkpatrick, insurance editor of the Chicago "Journal of Commerce," as manager of the insurance department of the U. S. Chamber of Commerce. He will take over his new duties about Oct. 1.



A. L. Kirkpatrick

For more than 12 years, Mr. Kirkpatrick has been insurance editor of the "Journal of Commerce" and for the past five years also has been in charge of its insurance advertising. He has had a varied insurance experience covering the past 25 years.

Mr. Kirkpatrick closed negotiations with the U. S. Chamber over the long distance telephone one morning. He went to his home at Hinsdale, Ill., at noon to confer with his wife as to arrangements for going to Washington to live. He put his house on the market that afternoon and it was sold by evening.

Mr. Kirkpatrick graduated from the actuarial mathematics course at the University of Michigan and then immediately went into army service in the last war. On being discharged he went with the National Bureau of Casualty & Surety Underwriters at New York in 1919. He then was engaged for several years in casualty company organization work at Chicago. In 1927 he became connected with Continental Casualty at Chicago, serving first as an underwriter and later as an assistant to the late Herman Behrens, the president. In 1929 Mr. Kirkpatrick went into personal insurance selling and became associated with W. A. Alexander & Co. of Chicago. Then 12 years ago he accepted a position as insurance editor of the Chicago "Journal of Commerce." He has made a name for himself in that work. In addition to handling straight news he has developed a daily column of comment that has attracted national attention. In this column he has covered a wide range of subjects. He has not hesitated to write in critical vein and to take positions that at times have been provocative. He is a good public speaker and has addressed numerous insurance gatherings during the past few years. Mr. Kirkpatrick was instrumental in organizing the Midwest Insurance Buyers Association and is in the midst of his term as its first president.

It has been understood for some time that Mr. Kirkpatrick had the inside track for the U. S. Chamber position. Others who had been under consideration, it is understood, were, Newell Johnson of Minnesota, president of the National Association of Insurance Commissioners, and Cecil C. Fraizer, former Nebraska director of insurance.

M. B. Trezevant was the department's first manager, serving from 1920 to 1922. He was followed 1922-1924 by James L. Madden, who is now second vice-president of Metropolitan Life; Rollin M. Clark, now executive vice-president of Continental Casualty-Continental Assurance, was acting manager until 1928 when Terence F. Cunneen was appointed manager and served in that capacity until 1940. In 1940 Mr. Cunneen was advanced to the position of executive assistant for insurance and Arthur von Thaden, now president of Excess Underwriters, was made man-

## W. E. Otto Heads Group Planning for Grand Rapids Meet

A large group of executives representing Michigan insurance companies are planning for the approaching mid-winter meeting of the National Association of Insurance Commissioners, to be held Dec. 2-5 at Grand Rapids. The group met the other day in the Michigan Mutual Liability home office at Detroit for discussion. Commissioner Forbes of Michigan was present. Tentative plans



WALTER E. OTTO

were consummated and appointments of chairmen and committee members were made.

Mr. Forbes was named as honorary chairman. General chairman is Walter E. Otto, president of Michigan Mutual Liability. Toastmaster for the banquet will be George W. Carter, president of Detroit Insurance Agency.

Executive and finance committee chairman is F. S. Brown, vice-president-secretary of Standard Accident; banquet and entertainment chairman, David Broderick, president Dearborn National; program chairman, J. E. Reault, public relations director Maccabees; hotel reservation chairman, F. Damon Row, state agent Springfield Fire & Marine; registration information, James M. Crosby, Jr., J. S. Crosby & Co., Grand Rapids; reception, John H. Belknap, Forbes & Belknap Agency, Grand Rapids; ladies' committee, Mrs. David A. Forbes, honorary chairman; Mrs. James M. Crosby, Jr., chairman; publicity, Frank Whitwam, manager Grand Rapids Convention Bureau.

#### Sawyers Brokerage Manager

Wilmer M. Hantmond, Los Angeles, general agent of Aetna Life, has appointed O'Brien Sawyers brokerage manager. He has been with the agency for some years and is a former president of the Life Underwriters Association of Los Angeles.

ager, which position he held until his resignation in 1941.

Paul L. Hardesty served as manager from July, 1942, to Nov. 15, 1944. H. E. Hilton has held the title of assistant manager in charge of the department until Mr. Kirkpatrick takes over.

## Orr Takes Over as American Society President

### New C.L.U. Journal— Dues Raised to \$10— Institute Planned

Clifford H. Orr, Philadelphia, general agent National Life of Vermont, was installed as president of the American Society of Chartered Life Underwriters at the annual meeting in the Edgewater Beach Hotel in Chicago.

Roland D. Hinkle, assistant Chicago manager of Equitable Society, is vice-president; Edward A. Krueger, manager field service State Life of Indianapolis, treasurer, and Frederick W. Floyd, Philadelphia, secretary. Mr. Floyd, who is executive secretary, succeeds Dr. David McCahan, dean of the American College of Life Underwriters, who served as secretary from 1934 and declined to be a candidate. The vote was conducted by mail.

Mr. Floyd will serve both as secretary and executive secretary for the coming year with the idea that by next year the duties of both positions can be defined more clearly.



C. H. Orr

#### New Directors Named

New directors are: Corydon K. Litchard, Massachusetts Mutual, Springfield, Mass.; Howard H. Cammack, John Hancock, Charleston, W. Va.;



J. E. Bragg



F. N. Floyd

Clyde R. Welman, National Life, Vt., Memphis; Clarence E. Smith, Northwestern Mutual, Chicago; Karl K. Krogue, Business Men's Assurance, Spokane. Senior directors who become regional vice-presidents are: Edward M. Aiken, Provident Mutual, Pittsburgh; Nelson F. Davis, Guardian Life, San Francisco; Ray E. Flint, John Hancock, St. Louis; Willis J. Milner, Jr., Life of Virginia, Atlanta, and Miss Ellen M. Putnam, National Life, Vt., Rochester, N. Y.

Dues were raised to \$10 a year. Last year members were asked to contribute \$7 in addition to the regular \$3 dues and as 80% responded it was decided to make the increase permanent.

The by-laws were also changed to provide that the president and dean of the American College of Life Underwriters be ex-officio members of the board. Last year the American College made the president and vice-president of the American Society ex-officio mem-

(CONTINUED ON LAST PAGE)

## Reno Feted on 25th Anniversary

McCahan, Collins and Hobbs Headline Educational Conference

A resounding tribute was paid Robert R. Reno, Jr., Chicago manager Equitable Society, on his 25th service anniversary at a dinner following a stimulating agency educational conference at the Edgewater Beach Hotel in Chicago this week. Walter L. Gottschall, director of agencies, and a long-time associate of



ROBERT R. RENO, JR.

Mr. Reno's, presided and Courtenay Barber, Chicago general agent, and John C. Clasper of the agency spoke. Mr. Reno is one of the most popular managers in Chicago and is noted for his genial friendship and sincerity.

### Tax Situation Changes Market

The great growth of life insurance in force since the last war plus the coverage provided by social security, pensions and National Service Life calls for new methods in life insurance marketing. Dr. David McCahan, dean American College of Life Underwriters, pointed out at the educational conference in emphasizing the continuous change in the background in which life underwriters work. Extensive marketing methods which were successful in securing widespread acceptance for insurance now have to be replaced by more intensive methods. The job is no longer one of selling a policy but of building up a policyholder's life insurance to do the job which needs to be done. Dr. McCahan likened the situation to a farmer who expands his acreage to secure larger crops but comes to the point of diminishing return where more land is no longer the answer but more intensive cultivation.

The tax situation has changed life markets. Until fairly recently only the wealthy were concerned but with a 20% surtax starting on the first \$2,000 of net

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## Group Life Plan Is Placed on Agents of National, Vt.

Field representatives of National Life of Vermont, including general agents and all their agents, and also employees of general agents, are being covered under a group life plan which has been placed by the General Agents Association in John Hancock. The plan became effective Aug. 15, it was announced by R. Clinton Meadows, Binghamton, N. Y., candidates for the C.L.U. designation.

The coverage is extended to all general agents who are members of the association, their associate and assistant general agents, full-time agents, supervisors, cashiers and office clerks. More than 75% of all persons eligible had made application for the insurance before it took effect and it is expected that 100% will be enrolled.

Any new agent or office clerk will become eligible for the insurance upon the completion of one year of continuous active service. No medical examination is necessary. The insurance terminates upon severance of services, but not in the case of transfer from one agency to another within the company.

The schedule of insurance is divided into four classes and three age groups. General agents and agency managers have \$5,000 protection up to age 59, inclusive; \$2,000 from age 60 to 69, and \$500 at age 70 and over. The other classes begin with tops of \$3,000 for associate general agents and supervisors, \$2,000 for full-time agents and clerical employees with five years or more of service, and \$1,000 for full-time agents and clerical employees with one to five years of service.

National Life wrote the group life and pension plan put in effect some years ago on its home office employees, but various considerations dictated that the general agents secure the coverage for field workers elsewhere.

## Life Insurance Course at Mich. State College

LANSING, MICH.—Michigan State College this fall will offer for the first time life insurance training as a part of its business administration course, in line with plans laid more than a year ago in cooperation with the Michigan Life Underwriters Association. A two-year terminal curriculum and a four-year program covering the C.L.U. course have been set up. Lyle Maxwell, who has a commercial science degree from Indiana university, will assist with the insurance course.

It is believed that at least 15 students, and possibly as many as 25, will take the course at the outset. If necessary, prominent life men from Detroit, Lansing and possibly elsewhere will be secured to cover certain subjects.

George H. Gruendel, Chicago, Million Dollar Round Table member, was incorrectly listed in the announcement of the 1945 membership as being with Mutual Benefit. He is an independent.

## Paul Clark to Give Conferment Address at CLU Exercises

Paul F. Clark, president of John Hancock Mutual, will deliver the conferment address at the annual conferment exercises of the American College at the Waldorf-Astoria Hotel in New York City Sept. 20 for 117 successful candidates for the C.L.U. designation.

The exercises follow a dinner sponsored by the New York C.L.U. chapter, with the New York City Life Underwriters Association and the New York City Life Managers Association cooperating. It will be the first time a conferment dinner has been held in New York in connection with the annual exercises.

Other speakers will be Dr. S. S. Huebner, president of the college, who will confer the C.L.U. designation nationally to all successful candidates; Dr. David McCahan, dean of the college, who will present the successful New York area candidates attending the dinner; J. S. Myrick, vice-president of Mutual Life, college board chairman; C. D. Connell, general agent, New York City, Provident Mutual, and incoming president National Association of Life Underwriters; J. E. Bragg, C.L.U., immediate past-president of the American Society of C.L.U.; Clifford H. Orr, National Life, Philadelphia, C.L.U. national president; D. B. Flugelman, president New York City Life Underwriters Association and T. W. Foley, president, New York City Life Managers Association.

H. R. Coursen, president of the New York C.L.U. chapter, will be toastmaster. Also at the speakers' table will be J. E. Rutherford, executive vice-president N.A.L.U., and H. J. Johnson, president Institute of Life Insurance.

Among the 300 to 400 guests expected will be the presidents and agency vice-presidents of all life companies in New York and vicinity and the college's board of trustees. An afternoon meeting of the trustees at the Waldorf will precede the dinner.

## Prudential Wins Round in Fla.

Prudential has won a round in its premium tax suit in Florida. The circuit court at Tallahassee has issued a writ ordering Commissioner Larson and Comptroller Lee to refund \$110,000 in premium taxes or show cause why the money should not be returned. The state officials have until Sept. 11 to reply to the writ.

Although the Florida legislature this year changed the law to make the 2% tax apply to domestic as well as foreign insurers, at the time Prudential paid its tax the old discriminatory law was in effect.

## Eckstein Goes into Field

S. C. Eckstein, Waverly, Ia., formerly assistant superintendent of agencies of Lutheran Mutual Life and manager of its claim and underwriting departments, has gone with Lutheran Brotherhood as a field man on a full time basis.

## U. S. Life Reopens in Philippines

Vice-President Galen Litchfield Reports on Operations, Lauds Pink's Work

United States Life is again operating in the Philippines, being the first life company to be re-licensed for business following liberation of Manila from the Japanese. Galen Litchfield, vice-president formerly in charge of far eastern operations, supervised the resumption of operations.

Mr. Litchfield had arrived in Manila on June 5 accompanied by A. Brock Park, a director. They were among the first civilians, other than bankers, to return to the islands. At that time Japanese were still being hunted down and killed in Manila, and fighting was in progress only 40 miles away, but a staff was reassembled, company records were checked, and one month later, on July 5 the license to commence business was issued by the Philippine insurance department. Offices were established in a temporary location in the National City Bank building and the company began at once to investigate and pay claims, effect reinstatements, collect renewal premiums, and sell new business.

### Pink Doing Great Job

In his report to the home office on the reestablishment of Manila operations, Mr. Litchfield praised the invaluable work being done for insurance in the Philippines by Louis H. Pink, former New York insurance superintendent, who went to the Philippines to act as special insurance adviser to the president in the reconstruction of the Philippine insurance department. Mr. Litchfield said that "the principles he has outlined as the basis for the solution of the many insurance problems left by the war will simplify the problems and have a far-reaching effect upon the business of life insurance here for many years to come."

## May Pay for Victory Bonds Up to Feb. 28, 1946

WASHINGTON — Life insurance companies and various other public corporations, agencies and institutions will be permitted to make deferred payment, at par and accrued interest, for the 2½% and 2½% marketable bonds to be issued under the Victory Loan drive, up to Feb. 28, 1946, the Treasury has announced.

While requesting non-bank investors not to sell securities to obtain funds for the Victory bonds, the department said this request was not intended to preclude normal portfolio adjustments. It added that "however, subscriptions by insurance companies and savings institutions will be subject to limitations to be announced later."

In the report on new business in Alabama in 1944 the total for New England Mutual Life should have been \$3,468,394 instead of \$2,468,394.

## Show 1942 Income Tax Payments That Were Made by Insurance Interests

WASHINGTON — Insurance carriers, brokerage, agency, etc., corporations, whose returns are compiled for 1942, and which had net income, re-

ported total such income of \$1,295,151,000, a Treasury statement shows; also total federal income tax of \$117,681,000, including \$22,845,000 excess profits tax.

(Money figures in thousands of dollars)

(Money figures in thousands of dollars)														
Returns With Net Income										Returns With No Net Income				
Total No. of Returns*	No. of Returns	Total Compiled Receipts	Net Income	Inc. Subject to Excess Profits Tax	Total Tax	Income Tax	Declared Value Excess Profits Tax	Excess Profits	Div. Paid in Cash and Assets Other than Own Stock	No. of Returns	Total Compiled Receipts	Deficit	Div. Paid in Cash and Assets Other than Own Stock	
Insurance carriers	2,082	1,521	3,344,304	1,261,106	13,659	103,214	92,166	6	11,042	98,841	447	178,039	90,890	1,799
Life insurance companies	719	514	1,312,662	1,018,992	.....	27,427	27,427	..	.....	15,971	150	1,536	287	61
Mutual insurance, except life or marine	492	386	20,599	14,833	.....	5,629	5,629	..	.....	61	86	5,792	1,059	.....
Other insurance carriers	871	621	2,011,043	227,281	13,659	70,158	59,110	6	11,042	82,808	211	170,711	89,544	1,738
Insurance agents, brokers, etc.	6,161	3,522	198,186	34,045	9,186	14,467	7,173	112	7,183	12,950	2,415	33,001	3,095	107
*Total number of returns includes returns of inactive corporations.														

\*Total number of returns includes returns of inactive corporations.

Dividends of these corporations paid \$111,791,000.

However, 2,862 insurance corporations reported no net income, but \$93,985,000

total deficits.

Following are insurance corporation tax details for 1942 as made public by the Treasury:



## Job Placement Plan for Able Veterans Starts in Chicago

### Insurance Takes Leading Part in Step to Attract Executive Material

An ambitious movement has been set on foot in Chicago to place in industry and business the young men of higher educational attainments, intelligence, initiative and capacity who are being discharged from the armed services, and insurance is taking an important place in the picture. The Chicago setup is a "pilot plan" which is to be field tested, and from it is expected to grow a national organization devoted to the same purposes.

Wade Fetzter, Jr., of W. A. Alexander & Co. is chairman of the insurance division, which is to hold its initial meeting at 10:30 a. m., Sept. 7 in the Chicago Board auditorium in the Insurance Exchange. Insurance companies, agencies and organizations are urged to have representatives attend this meeting.

The general chairman of the Business Vocation Committee of which the insurance industry makes up a division is Col. Charles Henkle, U.S.A., retired, who has had much experience in personnel work. He is vice-president of Continental Illinois National bank and one of the committee's founders.

#### Committee of Six

A committee of six men has been named to represent the insurance industry, beside Mr. Fetzter as chairman, this including: Arthur E. Petersen, controller of Continental Casualty and Continental Assurance; H. K. Nickell, president Chicago Association of Life Underwriters; William C. Peck, manager Reliance Life; W. W. Hamilton, manager Chicago Board; Foster F. Farrell, manager National Fraternal Congress. Mr. Peck is chairman of the Chicago association's veterans committee.

The Business Vocation Committee is a nonprofit organization of Chicago businessmen designed to place veterans who are actually or potentially qualified for executive, professional or creative work in business. It is said nothing on this order ever has been done following wars in which the United States has been involved. The committee was formed when it became apparent there was no agency in the country offering an adequate solution to the employment problem presented by young men of these higher qualifications.

#### USES Not Deemed Adequate

USES provides jobs for skilled or semi-skilled workers, who have had mechanical training and experience fitting them for immediate jobs in industry, but it was found no medium existed on an organized basis to place men in posts leading to junior executive or executive positions. Before the war business firms employed promising young men and trained them for the higher posts, but since America entered the war few of these have been employed, so the reserve pile is very low. Business firms now are eager to find men of this caliber.

The army has authorized the Fort Sheridan (Ill.) Separation Center to screen out for the Business Vocation Committee a limited number of veterans who live in the Chicago metropolitan area. All enlisted men and officers are given private interviews with army counselors and are handed B.V.C. material in an envelope if they have a certain

(CONTINUED ON PAGE 6)

### Benson D. C. Manager of Continental American

Continental American Life has appointed Ralph Benson manager of its



RALPH BENSON

Washington, D. C., branch. He has been with Continental American for seven years as a district manager, first at Rockville, Md., and later in Washington.

Mr. Benson has had 12 years experience in life insurance, including five years of successful personal selling before joining Continental American.

#### McKee Golden Spike Chief

A. E. McKee, western district manager of the railroad division of Pacific Mutual Life, has qualified as chief of the Golden Spike Club for 1945, with more than 785 paid units of new business. He won the same distinction in 1944.

Roy Tuchbreiter, president of Continental Casualty and Continental Assurance of Chicago, leaves next week to spend six weeks on his ranch in Oregon. He has recovered from a serious operation and during his vacation he will endeavor to get in fine physical condition.

## War Clause Removal Announcements Made by Many Companies

### EQUITABLE SOCIETY

Equitable Society has discontinued the inclusion in new life policies of war restrictions pertaining to military service, foreign travel and military air transport, applicable to the face amount.

Aeronautics exclusions will not be included in new policies except for those applicants who present a non-passenger aviation hazard. In those cases where the applicant does present a non-passenger aviation hazard, a new aeronautics exclusion clause will be used if the applicant prefers not to pay an extra premium for full coverage, or if he is ineligible for full coverage. This new clause will limit the society's liability if the insured, whether or not in military service, dies as a result of travel or flight in, or descent from, any aircraft of which he is a pilot, officer or member of the crew, or in which he is participating in aeronautic or aviation training. The clause is in the process of being filed with the insurance departments and will be put into use in the individual states as approval is received. If it is necessary to issue a policy with an aeronautics exclusion clause, before state approval has been obtained, an older, somewhat more restrictive clause will be used, subject to replacement by the new clause when it is available.

It will hereafter be necessary for an applicant who has made or contemplates making aircraft flights in any capacity other than as a passenger to complete the aviation questionnaire PF 309A. Agents will expedite the issuance of their policies if they see that this requirement is observed at the time of taking the applications.

In submitting applications for new business, the military service record,

form M 290, continues as a requirement in the case of any male applicant who is or has been within the draft age and in the case of any female applicant who has been discharged from the armed forces.

As regards the face amount, the society will hereafter administer existing policies containing war and aeronautics exclusions as though no war restrictions were contained in them but they will continue to be subject to the aviation restrictions provided, however, that in no event will those restrictions be administered on a more severe basis than the limitations contained in the new aeronautics exclusion clause.

There will be many cases where a policyholder who has not flown in an aircraft except as a passenger and does not contemplate engaging in other than passenger flying, will desire to have the aviation restrictions removed. The society is prepared to consider cancelling these restrictions if a satisfactory statement that the insured has not flown in an aircraft except as a passenger and does not contemplate engaging in other than passenger flying, is submitted to the home office. Cancellation will be effected by means of a rider. To expedite the handling of these cases it is the intention of the society to notify all insured, in a systematic manner, of this liberalization so that they will be aware of the removal of the war restrictions, and also so that those who qualify for removal of the aviation restrictions may apply for an appropriate policy rider.

There will be no necessity for a pilot, officer, or member of the crew of an aircraft (who would not qualify for removal of the aviation restrictions) taking any action since the restrictions applicable to the fact amount, other than restrictions on aviation, are canceled automatically.

The foregoing does not apply to the provisions for additional indemnity for accidental death, provisions for waiver of premiums in the event of disability, or to accident and health insurance.

### STATE MUTUAL

State Mutual Life has liberalized its war clauses, eliminating them entirely if the insured is a civilian. If he is in service, the war clause is canceled but the aeronautics provision still holds until he is discharged from military service. The war and aeronautics provision is dropped from all policies issued to civilians and applicants in the armed forces are given individual consideration.

### NATIONAL LIFE

National Life of Vermont will no longer attach the war clause to life policies issued to civilians.

### PROVIDENT L. & A.

Provident Life & Accident has discontinued attaching the war and aviation rider to policies issued to civilians.

### PACIFIC MUTUAL

Except where a known hazard may exist, war and aviation riders will no longer be attached by Pacific Mutual on life policies issued to applicants who have passed their 30th birthday.

Under claims arising on policies issued prior to Jan. 1, 1945, with aviation restrictions, coverage will be interpreted (subject to certain exceptions) as applying while travelling as a passenger in privately owned or company operated planes as well as while travelling as a fare-paying passenger over regularly established air lines. Under policies issued since January 1, Pacific Mutual already has been extending this more complete coverage.

Most forms of Pacific Mutual accident and sickness policies, existing contracts as well as new, have been liberalized so that, subject to certain exceptions, the requirement that the insured be a fare-paying passenger in air travel

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## The Cathedral

Penn Mutual's Second Vice President Wallis Boileau, Jr., speaking before a Management Conference:—

"The easier becomes the task of having life insurance understood and accepted by the public, the heavier becomes the task and responsibility of those who must prepare the service and arrange for its distribution. Perhaps that is at once the reward and the penalty of the making of progress and the attainment of dignity.

"You may go into a small country church and not be surprised that the organ is poor, the choir slightly off key and none too good in tone, and the sermon dull and boring. You don't mind much because perhaps you didn't expect too much.

"But go into one of the great cathedrals and find the same conditions, and your reaction is one of critical displeasure, because you had expected perfection.

"This is what we must remember: life insurance is no longer in the lowly mission stage; it has become the cathedral of the economic life of our people—and it is your job and mine to see that they are not disappointed by what they find within it."

\* \* \*

### THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

### Three Jefferson Standard Life Home Office Promotions

Three promotions and changes have been made in the home office organization of Jefferson Standard Life.

C. E. Bennett, assistant secretary, will have full charge of all personnel activities in the home office with the new title of assistant secretary and personnel officer. He has been with the company since 1920 and has had experience in several different departments. He was formerly manager of the renewal service department and in 1933 was promoted to assistant secretary.

#### New Duties for Burgess

W. P. Burgess, assistant secretary, will have complete charge of all purchasing and company equipment, and will continue to supervise office layout, permanent records and mail service. He went with Jefferson Standard in 1917.

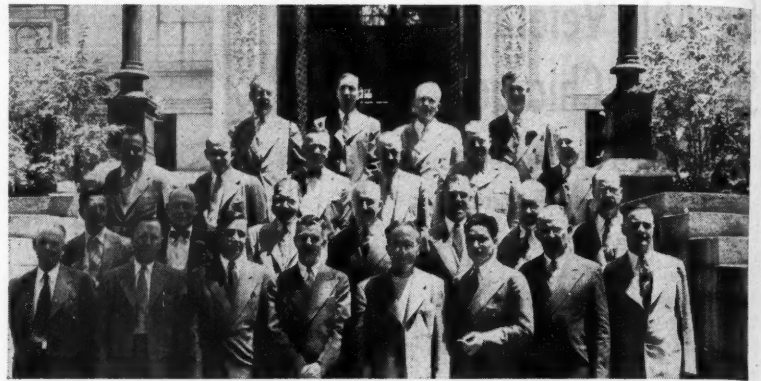
Before his promotion to assistant secretary in 1943, he was manager of the premium notice department.

O. R. Brockmann, assistant secretary, will supervise the activities of a new policyholders service department, and will continue his work as coordinator. He has been with the company since 1923. In 1931 he was appointed agency auditor and in 1936 was made auditor. He was promoted to assistant secretary in 1943.

#### Col. Hill Is in Germany

WASHINGTON, D. C.—Col. Reese Hill is understood to have gone to Germany to assume his duties as insurance director on the staff of the American section, allied control commission. It is reported here that details have not yet been worked out with respect to the handling of German insurance problems, or the part to be played with relation thereto by American, British, French and Russian interests.

## Capitol Life Holds Training School



First row (left to right): Frank A. Spencer, Maurice E. Smead, William F. Shandera, Steve Yedinak, Robert Ginsburg, Fidel Romero, J. E. Gibbs and William A. Deines. Second row: James M. Lane, Jack M. Moser, C. N. Thoresen, William H. Kinderman, J. L. Anderson, R. R. Pfau and C. W. Mathews. Third row: Eugene C. Thorpe, Winston U. Countryman, Walter G. Korlann, Frank H. Devitt, Dal Richins and Robert Schulman. Last row: Herman C. Schneider, John M. Warring, Winfield V. Scott and June Wood.

In lieu of its 40th anniversary convention, Capitol Life held a school on recruiting and training for agency managers and assistant agency managers at its home office in Denver. There were morning and afternoon lecture and discussion sessions and each evening the men were given assignments to write out

which were collected each morning and examined by a member of the school faculty. The school was under the direction of W. V. Woollen, agency vice-president, assisted by Harold B. Wendell, agency secretary, Frederic M. Peirce and Arnett H. Owen and Walter K. Fritz, assistant secretaries.



Today there are so many specialized uses of insurance that it is difficult to keep thoroughly posted on the best practice for each individual case. Many brokers have found that the brokerage specialist in their local Connecticut General office has invaluable assistance to offer in presenting the correct solution to their problems. He brings experience and thorough training to his work and he is backed by the broad facilities of Connecticut General, including its Advisory Bureau, for handling all forms of Personal insurance, Group insurance, Business insurance and Pension Trust plans. He is ready to be the EXTRA man in your organization. Call him at your nearest Connecticut General office.

**CONNECTICUT  
GENERAL**  
LIFE INSURANCE COMPANY  
HARTFORD, CONNECTICUT



**BETTER SERVICE  
THROUGH BETTER MEN**  
LIFE INSURANCE, ACCIDENT AND  
HEALTH INSURANCE, SALARY  
ALLOTMENT INSURANCE AND AN-  
NUITIES, ALL FORMS OF GROUP  
INSURANCE AND GROUP ANNUITIES

## Name U. S. Chamber Program for Victory Loan Is Announced

WASHINGTON—Three special sections on insurance have been appointed to serve the U. S. Chamber of Commerce in their respective fields. The sections will work on specific problems in aviation insurance, in accident and health insurance, and marine insurance and will report to the chamber's board through the insurance committee. The chairman of each section is a member of the insurance committee.

The health section includes R. M. Clark, vice-president and secretary Continental Casualty, chairman; W. T. Grant, chairman of the board Business Men's Assurance, vice-chairman; Dr. C. C. Criss, president Mutual Benefit Health & Accident; J. Dewey Dorsett, general manager Association of Casualty & Surety Executives; B. K. Elliott, vice-president-general counsel, John Hancock Mutual; Harold Gordon, managing director Health & Accident Underwriters conference; P. S. Haring, superintendent research department employers group; H. D. Locke, research director Liberty Mutual; W. A. Millman, associate actuary Equitable Society; R. J. Wetterlund, vice-president-general counsel, Washington National.

#### Moody San Antonio Speaker

Tom N. Moody, Amicable Life agency manager and vice-president of the Texas Association of Life Underwriters, spoke before the San Antonio Association of Accident & Health Underwriters on "Keeping in Step with the Times." He said the post-war period has both opportunities and responsibilities for the salesman, in whichever field he may work.

Speaking of the return of commodities which have been unobtainable during the war, he said skill in painting effective mental pictures will be vital to success in selling insurance in competition with these goods that offer an immediate gratification of a desire.

He stressed the need for organization work, so that there may be closer co-operation, greater success, and more adequate service for the people who need insurance.

## Cuts Hours, Maintains Salaries

Prudential announces that all home office clerical personnel will return to a 38-hour week beginning Sept. 17. Employees have been working under a schedule of 40-hours and 50-minutes. Salaries are to remain as they have been under the wartime adjustment, the extras provided now becoming a part of the regular base wages.

In addition to E, F, and G bonds and series C savings rates there will be 2½% Treasury bonds of 1967-72, maturing Dec. 15, 1972; 2¼% Treasury bonds of 1959-62, maturing Dec. 15, 1962; ¾% certificates of indebtedness maturing Dec. 1, 1946.

The drive will open for individual subscriptions Oct. 29 and extend through Dec. 8. The corporate sales will open Dec. 3 and extend through to the close of business, Dec. 8. The accounting period for savings bonds and C notes will cover the period from Oct. 29 through Dec. 31. The marketable securities will be dated Nov. 15, except the certificates which will be dated Dec. 3.

The Treasury emphasized the urgent need for a continuing strong payroll-savings program.

Gale Johnston, 3rd vice-president of Metropolitan Life, will be chairman of the New York county victory loan committee.

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Lillian L. Joseph of the Joseph agency was the leading producer of Home Life of N. Y. for July. Mrs. Joseph is past president of the League of Life Insurance Women and now heads the program committee.

Sales ideas from top-notchers in the Accident & Health Bulletins. Write the A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, O.





## ... REMOVES ALL WARTIME RESTRICTIONS GIVING SERVICEMEN WORLDWIDE COVERAGE

This liberal-minded attitude is in line with the policy the Company has followed throughout the war to give men in the Service the maximum protection possible. In fact, at the beginning of the war, Mr. Montgomery advocated that life insurance companies should, under certain conditions, grant unrestricted coverage to men in military service.

Acacia's war clause has always been most liberal, giving full protection both here in the home area and overseas against all Service hazards other than direct enemy action and aviation. The Company has paid a large number of claims on men while on active duty overseas, both where death was by natural causes and in cases of fatalities resulting from injuries and accidents. *Small wonder that Acacia has become popularly known as "The Serviceman's Life Insurance Company."*

For Acacia's many policyholders who will be stationed in Europe and in the Pacific as occupational forces and for those who will be awaiting return home, this action will assure them of complete protection against all the hazards attendant upon military service in conquered territory.

When General Eisenhower announced the cessation of hostilities in the European theater, William Montgomery, President of Acacia Mutual, immediately announced that, except for aviation, all of its policyholders in that area would have full coverage in the event of fatality resulting from injury received after the surrender date, May 8. Now, within the hour after the surrender of Japan, Mr. Montgomery announced the removal of all wartime restrictions, except for aviation, for Acacia policyholders in the Armed Forces in whatever part of the world they may be stationed. And in the case of aviation, Acacia not only gives full coverage to Service personnel being transported as passengers within the home area on military or naval planes, but also gives them full protection worldwide when flying as fare-paying passengers on scheduled commercial airline flights.

# ACACIA MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE — WASHINGTON 1, D. C.

## Job Placement Plan for Able Veterans

(CONTINUED FROM PAGE 3)

degree of schooling or left school or college to go directly into the army. Records of many hundreds of discharged veterans have been reviewed to determine the appropriate screen to use in selecting candidates for the B.V.C. opportunities.

### Organization Meeting

At a preliminary meeting of the insurance division, A. V. Gruhn, general manager American Mutual Alliance, Chicago, and H. B. Edson, personnel officer of Lumbermen's Mutual Casualty, represented the mutuals; Thomas E. Barton, resident vice-president U. S. Casualty, as president appeared for the Casualty & Surety Managers Association. In addition to Manager Hamilton, from the Chicago Board were present John A. Naghten, John Naghten & Co., Chicago Board president; S. M. Buck, vice-president Great American group, representing fire companies, and Messrs. Petersen and Farrell.

It is planned to have a central office for the committee which will maintain

contact with Fort Sheridan officers, receive referrals, and coordinate interview and placement activities of industry and professional committees being formed in the major divisions of Chicago business.

### Process of Selection

Each selected veteran will be given a personal information form and will be invited to mail it to the B.V.C. In that office, executives experienced in personnel, merchandising and sales work will study the forms to determine proper job placement. If desirable, an invitation will be extended to meet with a committee for an interview.

It is believed to be desirable for each industry group to have an office in charge of a secretary, open during all will set up such an office after the Sept. 7 business hour, and probably insurance meeting. That office will accumulate job requisitions, interview selected veterans and refer those finally selected to specific jobs.

### More Companies Announce Removal of War Clause

(CONTINUED FROM PAGE 3)

is eliminated. The insured is now covered while flying as a passenger via scheduled commercial airlines over land

or water anywhere; and while flying over the mainland of North America as a passenger in a privately owned or company operated plane.

### RESERVE LOAN LIFE

Reserve Loan Life has announced that new policies will not contain a war and aviation risk exclusion clause.

### COLUMBIAN NATIONAL

Columbian National Life has eliminated its war clause on new policies. A partial aviation rider will be used wherever the circumstances of the individual case indicate the advisability of such a rider.

### SHENANDOAH LIFE

Shenandoah Life has discontinued the use of the combination war, travel, and aviation rider on all new policies issued on civilian lives, with the following exceptions: For the time being a partial aviation exclusion rider will be used on male applicants between 17 and 26. Civilians interested in aviation will be considered with either a flat rating or with a partial aviation exclusion rider. The war, travel, and aviation clause will be retained for the time being on old policies containing such restriction.

### GREAT NORTHERN LIFE

Practically all new currently issued life policies will issue without the war and aviation exclusion clauses, Great Northern Life announces.

This action does not modify any provisions in riders for accidental death or disability benefits attached to life policies.

New individual applications for life insurance will be considered as to possible aviation activity and approved on basis of facts in each case.

Where aviation hazard is developed in application, or applications on commercial pilots, student pilots, air crews, civilian pilots, the policy will carry provision to limit the liability in event of death due to aviation, or an additional premium will be charged.

### PAN-AMERICAN LIFE

All new Pan-American Life policies will be issued without war or aviation restrictions, except where applicant is actually in the armed forces or an aviation hazard exists not covered by extra premium. If applicant is in armed forces, liberalized war clause will be used which excludes only death as result of act of war or travel in military aircraft; if applicant military pilot, will also exclude piloting activities. War clauses on existing policies will be interpreted as though war ended on May 8 in Europe and Aug. 20 in other zones.

### Maurice Leaves Conn. Dept.: Testimonial Dinner Sept. 12.

Joseph H. Maurice, supervisor of licenses, will retire Nov. 6 after 22 years in the Connecticut department. He will be honored at a dinner Sept. 12 under the joint sponsorship of the Connecticut Association of Insurance Agents, the Connecticut Field Club and the Casualty & Surety Association of Connecticut. Those wishing to attend can make reservations through W. H. Wiley, 99 Pratt street, Hartford 3.

Prior to entering the Connecticut department, Mr. Maurice was with Phoenix Mutual Life 18 years. He has seen the growth of the agency division from one regular employee to six, issuing 32,000 licenses to 7,200 agents annually.

### Kenneth Murchison to Expand

George E. Hofmeister has resigned as vice-president in charge of casualty underwriting of Continental Casualty, Chicago, to become associated with Kenneth Murchison & Co., Dallas. It is understood Mr. Murchison intends to expand his insurance operations. He has a big interest in Reserve Loan Life and operates a local and general insurance agency besides other non-insurance enterprises.

### Hunt in Provident L. & A. No. 1 Spot for 4th Year

For the fourth time in as many years, H. Grice Hunt of Hunt & DuPree, general agents at Greenville, S. C., has captured the top-ranking position among life fieldmen of Provident Life & Accident.

In addition to becoming president of the Century Club for the club year commencing Aug. 1, Mr. Hunt has qualified as a life member of the Million Dollar Round Table.

Edwin O. Martin, manager of the home office life agency, also a member of the Million Dollar Round Table, took runner-up honors for the past club year and has been appointed vice-president of the club.

Paul M. Ray, general agent at Chattanooga, has again been appointed secretary-treasurer.

A "must" for every A. & H. man—*"Planned Salesmanship,"* by Cousins. \$3 from The National Underwriter.



H. Grice Hunt

life member of the Million Dollar Round Table.

## The COMMONWEALTH Commentary

### Our Agency Viewpoint

Commonwealth is dedicated to the proposition that life underwriting offers to the right man an opportunity for personal happiness and personal achievement unsurpassed by any other business or professional endeavor.

This Company's management believes with deep conviction that, for the man or woman who is qualified, the career of life underwriting affords the greatest job satisfaction and the largest compensation relative to capacity of any career upon which a person may embark.

It is because of that deep-rooted belief that Commonwealth management and field force see eye to eye and forge ahead hand in hand. The company's agency policy and agency consciousness; its agency contracts and its agency training programs—all combine to make The Commonwealth Career distinctive among careers in life underwriting.

Insurance in Force, July 31, 1945 — \$256,050,873.

**COMMONWEALTH**  
LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

WHERE QUALITY MEN ARE BUILDING QUALITY VOLUME



### REACTIONS ON THE ATTITUDE OF UNDERWRITER AS HE COMES FROM THE SERVICE ARE WORTH PONDERING.

FIRST, HE IS INCLINED TO SHOP, not between companies or agencies but between our business and commercial lines. He still wants to sell, but perhaps not life insurance.

SECOND, COMMERCIAL LINES are bidding high for his services. One returning captain told us that he has offers starting at \$3,600 a year and running to \$7,000. Industry is willing to pay for salesmen.

THIRD, HE WANTS YOU TO RESELL HIM. Perhaps you have taken for granted that he will come back, but don't disclose that attitude to him.

ONE WAY TO WIN HIM BACK is to show him even before he is back that you have a definite program for him, one designed especially for the returning veteran.

THAT BRINGS UP R & R'S NEW REFRESHER COURSE. A COPY SENT TODAY TO YOUR SERVICE MAN WITH A PERSONAL LETTER WILL HELP IN WHAT MAY PROVE SOME DAY TO BE A TREMENDOUSLY BIG SELLING JOB.



PAUL SPEICHER  
Managing Editor

**THE INSURANCE RESEARCH & REVIEW SERVICE**  
INDIANAPOLIS



## Differ on Paying Commissions on Premiums on Pilots

Difference in companies' practice in paying first year commissions on the extra premium charged airplane pilots has already shown up as a competitive factor and seems likely to become more of one as commercial airlines expand their operation and private flying, freed of wartime restrictions, begins to grow to its expected post-war proportions.

Most companies do not pay a first year commission on the extra premium charged pilots, even though they pay on the rating for other occupational groups. So far as could be determined, Mutual Life and Occidental Life are the only ones that pay a full first year commission rate on the extra premium charged pilots. It is understood that one reason Mutual Life does this is that under its special compensation plan for agents, trying to differentiate between the regular premium and the extra premiums would introduce complications that would outweigh the saving in cost resulting from paying no commission on the extra premium.

### Reasons for Non-Payment

While some agents feel that if companies pay a first year commission on the extra premium for other occupational ratings they should pay it in the case of pilots, the answer of the companies that do not pay such commissions is that the persistency on pilot business is relatively poor and what business sticks is subject to frequent reappraisal and often a substantial reduction in the extra premium. This means that there is not only the expense of reappraising the risk but the company does not get the amount of renewal premium that it counted on in paying the agent his first year commission on the extra premium. On the other hand, if the company could count on getting the extra premium in full for a number of years in the future, it would probably not consider the payment of the first year commission rate on the extra premium to be out of line.

As to the payment of renewal commissions on the extra premium, this is quite generally done as it is not too large a percentage of the extra charge and, of course, is proportional to the amount actually paid if there is a reduction in the extra charge. Another reason for paying renewal commissions is that the expense of computing the renewal commission exclusive of the amount payable on the extra premium would probably be so great as to offset any saving there might be in not paying this to the agent.

Typical extra charges on pilots of American or Canadian airlines are \$5 for \$1,000 with a limit of \$25,000. On pilots of transoceanic airlines, the charge is \$10 with \$15,000 limit. Pilots of planes operated by industrial concerns such as oil companies for company use are usually rated the same as for domestic airlines.

For pilots engaged in non-scheduled commercial flying, the additional premium would be \$7.50 with a \$15,000 limit. For pilots doing crop dusting and other exceptionally hazardous work, the extra premium would be \$25 with a limit of \$10,000.

Extra premiums for private pilots depend on the amount of flying but typical rates are \$7.50 with a limit of \$20,000 for those doing less than 100 hours of flying per year and \$10 with a maximum of \$15,000 for those doing more than 100 hours of flying a year.

For pilots having less than 100 hours flying experience, the extra premium is substantially higher, for example, \$15 per \$1,000 with a limit of \$10,000 for pilots and a stipulation that the first premium be paid in full. Otherwise a pilot is likely to pay a quarterly premium and let the policy lapse.

## Mo. Leaders Seek to Rid State of Foggy Atmosphere

JEFFERSON CITY, MO. — Governor Donnelly of Missouri received a delegation of prominent insurance men, who desire to bring about an improved political atmosphere for insurance in the state.

The insurance group offered to Donnelly their friendly cooperation and assistance in the solution of the various insurance problems of Missouri. The delegation emphasized that it did not come to Jefferson City in the interest of any particular branch or type of insurance or to further the personal interests of any individual.

Governor Donnelly expressed appreciation of the offer of cooperation. He indicated that he will take full advantage of this proposal, especially when the matter of revamping the insurance laws to bring them into line with the latest developments in the courts and business world comes before the legislature.

With respect to a new superintendent of insurance to succeed Edward L. Scheufler, Republican, who is a holdover from the administration of Governor

Donnell, no names were mentioned and the delegation told Donnelly that it was not advocating any particular candidate. Donnelly indicated that he was not finally decided on Mr. Scheufler's successor but stated that several names have been suggested, a few from St. Louis and the others from elsewhere in the state.

### Want End of Turmoil

The insurance group, touching on the prolonged turmoil in Missouri, especially in the fire field, that has caused through the years much unfavorable publicity for Missouri and its insurance people, expressed the belief that the new superintendent should not be actively identified with any particular faction or type of insurance but should be a man of high integrity and possessing a broad experience with insurance and qualified to look after the interests of public while dealing fairly with all branches of insurance.

In the delegation were: Harry M. Gambrel, Kansas City, president Missouri Association of Insurance Agents; Bennett G. Gregory, St. Louis, executive secretary Missouri Association of Insurance Agents and manager of the Insurance Board of St. Louis; Adam Rosenthal, Acacia Mutual, St. Louis, president Missouri Association of Life Underwriters; John M. Nuckols, secretary Insurance Agents Association of Kansas City; John J. O'Toole, St. Louis, state

national director National Association of Insurance Agents, and William Wildeboor, Metropolitan Life, Jefferson City, first vice-president Missouri Association of Life Underwriters.

The conference was on a very friendly basis and the utmost frankness prevailed. Governor Donnelly, incidentally, has had personal experience with insurance since in connection with his law practice at his home town of Lebanon he also operated the Donnelly Insurance Agency.

### 16th \$1 Million Agency

The Ivan Johnson home office agency of Pacific National Life, Salt Lake City, has become the 16th agency of that company to reach the insurance in force mark of \$1 million. Pacific National places particular emphasis on this milestone and when an agency attains that stature an entire edition of "Panlaco" is devoted to the story of that particular unit with various messages of congratulations, pictorial treatment and other features. The Ivan Johnson agency will be so honored shortly.

Elmo F. Hord, general agent in western Missouri for Franklin Life, has completed 1,000 weeks in the App-a-Week Club, having established his membership in May, 1926.

# QUIZ-

**Q- WHAT COMPANY PROVIDES ITS CAREER UNDERWRITERS WITH PERSONAL AND FAMILY SECURITY THROUGH**

1. A PENSION PLAN COMMENSURATE WITH EARNINGS?
2. SUBSTANTIAL GROUP INSURANCE PROTECTION?

**A- ALL PRUDENTIAL AGENTS KNOW THE ANSWER!**

**THE PRUDENTIAL**

A MUTUAL LIFE INSURANCE COMPANY



**INSURANCE COMPANY OF AMERICA**

HOME OFFICE . . . NEWARK, N. J.

## EDITORIAL COMMENT

### For a New Day in Missouri

Insurance men not only in Missouri but throughout the nation will be profoundly grateful if the visit of an insurance delegation to Gov. Donnelly of Missouri eventuates in a more wholesome political atmosphere for insurance in that state. For years insurance in one way or another has been a public and political issue in Missouri. The fire insurance rate litigation with its many sensational aspects, dates back to 1922. Then there was the period of life insurance company promotion in Missouri accompanied by highly speculative investment practices, and the inevitable collapse. All of this gave insurance a black-eye, but additionally the insurance business and everyone in it has been subjected to rabid editorial treatment, especially from two of the St. Louis papers. If there is an insurance matter in the news, these papers automatically take an unfriendly position towards insurance and dress the business in diabolical garb.

Knowing that any decision that could be construed as favorable to insurance will bring down upon their heads screaming editorials and lurid news treatment, public officials in Missouri

naturally think about the political consequences and they hesitate to take a stand that is obviously correct. Superintendent Scheufler has been courageous and fair and he has been subjected to editorial abuse that was completely without justification.

The group that called upon Gov. Donnelly was asking no favors. They want him to appoint as the new insurance superintendent a man without insurance factional identity and one that is upright, wise and that has a comprehensive knowledge of the insurance field. Moreover, evidently they want the politicians to wipe the slate clean, to cease exploiting what the vote getter may conceive to be a popular prejudice against insurance, and in short to cut the business loose from the whipping post.

Insurance has much to apologize for in its Missouri record but so do the politicians. There have been sordid chapters, but it would be a great thing if at this time a new era could be ushered in and the story of insurance in Missouri left to historians instead of being carried forward from one political campaign to another and coloring every insurance situation that arises there.

### Need for Practical Service

A life insurance commentator in giving his impression of life insurance selling states that too often the salesman thinks entirely too much of himself and his own interest and forgets the opportunity that he has to serve his policyholders. He will write all the business that he can get most readily. When he entered life insurance he had to be financed and immediately he got the impression that the money must be returned as soon as possible. Hence he invoked the help of relatives and close friends, getting all the business he could the easiest way.

During this time, however, he has had little training how to serve policyholders best. He did not understand the practical programming of insurance. He did not have the proper measuring rod

to estimate the amount of insurance a person should carry. He did not study the actual needs of prospects nor did he understand how to write insurance that will meet them effectively.

There is much in helpful service in life insurance and that must be done with an eye single to the interest of policyholders.

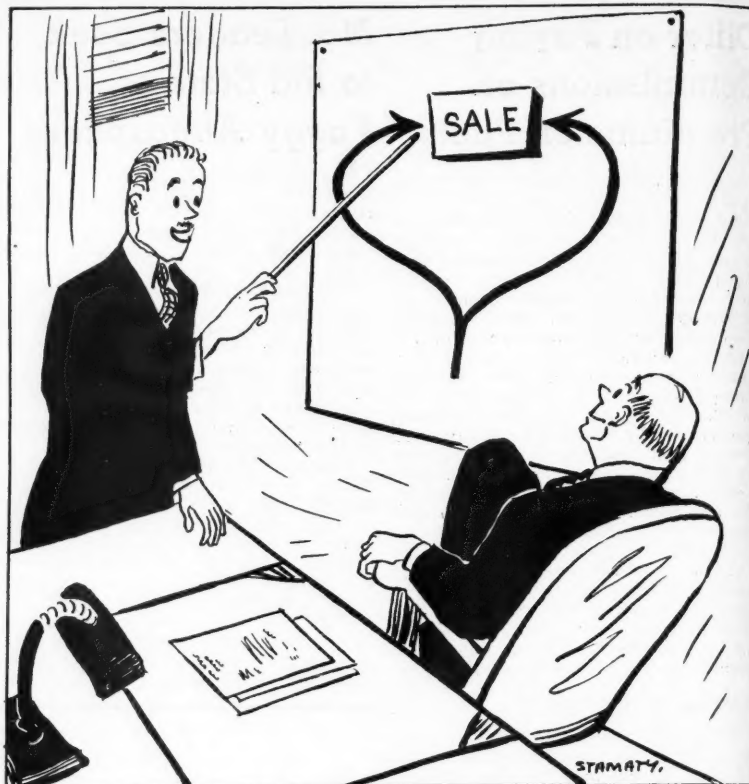
It is true that the salesman who makes himself the center of attraction and has all roads leading to his own office neglects the great opportunity to build a lasting and profitable clientele. People buying life insurance appreciate more and more those agents that have the knowledge, experience and capacity to give sound advice and to fit the insurance exactly to the needs of the buyer both at present and in the future.

### Life Agents and Retirement

The alert, resourceful life insurance man can be very much the architect of his own fortunes, the master of his comings in and goings out. This comes to mind especially when we consider the day of retirement. Many men when they are compelled to retire go to pieces. They have nothing upon which they can

hold. They simply grope, looking for something to do.

A life insurance man can order his career in a way that he need never retire unless he is totally disabled. He can arrange to produce a certain amount of business every year that will give him a fixed income. He must decide on



"I GOT MY OBJECTIVE WITH A PINCHERS MOVEMENT. I DROVE IN ON ONE SIDE WITH THE NEED—THEN I CLINCHED THE SALE WITH A PLAN."

how much he needs to live comfortably, enjoy some of the luxuries of life and then work to that end.

As he reaches the far afternoon in life he need not work so hard. He has accumulated something for retirement. He undoubtedly has provided a supplementary retirement income through the medium of life insurance. But as long as he lives he will have something to do. He need not work as hard as he once did. He can play more. He can travel more, he can enter into more of life's festivities.

This places the life insurance man in a most enviable position. We hear much about retirement these days. Many concerns have a compulsory retirement age. Men who have been accustomed to work hard during their entire lives find it very difficult to readjust themselves to doing practically nothing. The life insurance man can continue to work just as much and just as long as he desires. He need never retire so long as he possesses all his faculties. He can fix his own retirement age if he desires to quit.

## PERSONAL SIDE OF THE BUSINESS

Dr. William H. Carpenter, medical director of Girard Life, recently broke his right leg at the home office and has been recuperating in the Doctors' Clinic at Philadelphia. In his absence Dr. T. M. Armstrong, medical director of Philadelphia Life and assistant medical director of Penn Mutual, has been handling medical underwriting for Girard.

John M. Park, supervisor for Lutheran Mutual Life operating out of the home office, has been seriously ill in Proctor hospital, Peoria, Ill., with pneumonia and pleurisy which followed an appendectomy late in July. He is now improving steadily.

Ron Stever, general agent of Equitable Society in Los Angeles, was honored

by his agents from July 16 to Aug. 6, while he was attending the Bureau School of Agency Management in Chicago, by the writing of total volume of \$1,047,653 on 178 lives. All agents participating in writing a case in each week of the campaign were eligible to attend an agency breakfast the following Monday. Each case written counted as a letter in spelling "Stever," with an extra letter for each \$5,000, and all completing the name were invited to attend a buffet supper at the home of General Agent Arthur P. Carroll.

Phineas M. Henry, vice-president and general counsel of Equitable Life of Iowa, was married at Des Moines to Caroline Herter Bridge of Coronado,



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Editorial Assistant. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 3706. E. H. Fredrikson, Resident Mgr.

SAN FRANCISCO 4, CAL.—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Resident Manager. Miss A. V. Bowyer, Pacific Coast Editor.



Cal. Miss Bridge recently was granted an honorable discharge from the WAC, in which she served as a sergeant, stationed at Fort Des Moines.

**John H. Evans**, executive vice-president of Ohio National Life, who was stricken about three months ago with a serious attack and has not been in the office since, is now recuperating and expects to return and spend a little time each day in the office in the near future.

**G. E. Lackey**, Detroit general agent of Massachusetts Mutual Life, addressed 800 disabled soldiers at Percy Jones General Hospital in Battle Creek on life insurance as a career. Arranged as one of a series of vocational guidance talks by authorities in various fields under the auspices of the USO, the address was relayed by public address system to another 2,200 bed cases in the huge hospital.

**W. M. Neighbors** has resigned as assistant secretary of Union Life of Richmond to join the State Department's foreign staff and expects to be appointed to a consular post in some English-speaking country. He had been with Union Life 10 years. His successor will be announced about Oct. 1.

**Allerton C. Hickmott**, financial secretary of Connecticut General Life, was one of six Connecticut men appointed by Governor Baldwin on a savings bank railroad investment committee, which is to establish and supervise a list of railroad stocks in which the state's savings banks may legally invest funds in the post-war period.

**Powell Stamper**, advertising manager of National Life & Accident and public relations officer of the Tennessee adjutant general's office with the rank of major, was one of a Tennessee national guard group that was in New York last week as a reception committee for the 30th "Old Hickory" division, returning from overseas. **Rufus E. Fort**, formerly of the National Life official staff, and now adjutant general, headed the reception committee.

Rosemary Dorothy Schwartz, daughter of **Otto E. Schwartz**, associate manager of THE NATIONAL UNDERWRITER, and Mrs. Schwartz, is to be married Sept. 8 at the Schwartz home at Arlington Heights, Ill., to Ted Allison of Streator, Ill. Mr. Allison, who was a first sergeant, was recently discharged from the army. He was wounded in the Philippines campaign and he wears the Presidential citation. He is employed at the Owens-Illinois Glass Co. and the couple will reside at Streator.

**Frank L. Barnes**, vice-president and agency director of Ohio State Life, won the annual Columbus Kiwanis golf trophy at the Scioto Country Club.

## DEATHS

**Zadoc S. Galbraith**, assistant actuary of Guarantee Mutual Life, Omaha, died suddenly there. He joined the company in 1930.

**John A. Reinhardt**, 80, retired general agent of Northwestern Mutual Life at Spokane, Wash., died there. He became associated with the company in 1890, becoming general agent in 1907. He was succeeded in 1938 by his son, John G. Reinhardt.

**Harry C. Tanner**, 78, for 25 years an agent of Equitable Society in Milwaukee, died there.

**Bert H. Banninga**, 69, who represented Metropolitan Life in Grand Rapids, Mich., for 44 years, retiring in 1936, died in Youngstown, O.

**William D. Hill**, comptroller and assistant secretary of North Carolina Mutual Life, died in a Baltimore hospital.

**Willard W. Frye**, Sioux City manager of Travelers, died from a heart attack while attending a picnic. He formerly was assistant manager in Des Moines.

**T. E. Burns**, 69, life agent in Detroit since 1906, died suddenly on a down-

town street. He was with the G. E. Lofthouse agency of Lincoln National Life for many years and in 1938 transferred to the J. B. Ames agency of that company.

## COMPANY MEN

### Lutheran Mutual Puts Ernst, VoECKs in Top Posts

Rev. A. C. Ernst of Stillwater, Minn. has been elected president of Lutheran Mutual Life. He had held the position of vice-president for many years and served as acting president since the death of J. E. Hegg in December, 1944.

Walter G. VoECKs, secretary and actuary was elected executive vice-president and actuary. Others elected were F. W. Studier, vice-president and treasurer; J. P. Kroger, vice-president and secretary, and E. R. Hegg, vice-president and superintendent of agents.

#### No Action on Moving Office

In view of the fact that Mr. Ernst does not contemplate moving to Waverly, Mr. VoECK has been designated to assume the duties of president with respect to company operations.

No definite action was taken on moving the home office. Stockholders voted favorably last May on transferring the home office to Des Moines but a minority has challenged the legality of the procedure.

### Darby Becomes President of National Old Line

W. E. Darby has been elected president of National Old Line of Little Rock and T. F. Taylor, Jr., of Eupora, Miss., becomes board chairman. Mr. Darby has been with National Old Line for over 15 years, devoting most of his



W. E. DARBY

time to the acquisition of new business and agency development.

Mr. Taylor has been most successful in business operations, including lumber manufacturing and banking.

G. M. Lamberson, retiring president, in making the announcement, predicted a successful future under the new management.

#### E. O. Adler to Occidental

Ernest O. Adler, who has been in insurance claim work about 12 years, most of that time with Mutual Life in Chicago and recently with Sterling of that city, has gone to Los Angeles to join

the home office claim department of Occidental Life.

He is immediate past president of the Chicago Claim Association.

#### Actuary Haight in Charge

Arthur Haight, chief actuary of Modern Life, St. Paul, is in charge of the company following the recent death of President M. A. Nation. The directors expect to elect a new president early in the fall.

#### Everdell Field Service Manager

F. K. Everdell has been appointed field service manager by Girard Life. He has had many years of insurance experience, including fire and life insurance. Mr. Everdell will work closely with agencies in sales planning.

#### Schedule Cincinnati Courses

CINCINNATI—Two life insurance courses will be offered by the University of Cincinnati evening college when classes open Sept. 24. E. F. Pierle, Provident Mutual, will conduct a course in life insurance fundamentals and M. R. Dodson, actuary Ohio National, will conduct a course in the principles of life insurance.

## CHANGES

### Penn Mutual Names Pomeroy as Miami General Agent

Richard S. Pomeroy, III, has been appointed Penn Mutual general agent at Miami, Fla. Mr. Pomeroy joined Penn Mutual's home office in 1932. A year later, after study in the various departments, he was named cashier in the Seth W. Ryan agency of Birmingham. In 1934 he was transferred to the New York premium collection office and about four years later was named office manager of the Philip O. Works agency in Rochester.

In addition to doing supervisory work in Rochester, Mr. Pomeroy has been an able personal producer. In 1943, his first full year of writing business, he paid for a little over \$200,000 and in 1944 he qualified for Penn Mutual's Quarter Million Dollar Club.

Mr. Pomeroy is president-elect of the Rochester Association of Life Under-

*Sweet as the Thoughts  
that Savor of Content*

(R. Greene)

This organization teams well  
together and has grown  
steadily, pleasantly.

The helping hand is ever forward  
to aid the promising,  
sincere agent to greater  
production and earnings.

Over Quarter Billion Insurance in Force

THE OHIO NATIONAL  
LIFE INSURANCE COMPANY

CINCINNATI, OHIO



writers, treasurer of the Rochester C.L.U. chapter and past president of the Rochester Cashiers Association.

## R. E. Turner Heads Boston Agency

R. E. Turner, life agent and broker in Boston for 18 years, has been appointed Boston general agent for Equitable Life of Iowa effective Sept. 1.

Mr. Turner is a native of Marlboro, Mass. and a graduate of the University of Maine, where he was prominent in athletics. For the last seven years he has been agency supervisor and brokerage manager for the Partridge agency of New England Mutual in Boston. In the suburb in which he has resided, he has served as chairman of navy relief and of the National War Fund; boy scout executive; deputy commissioner, OCD; district governor of Lions International, and a vestryman of the Episcopal church for 16 years.

His office will be at 502-24 Federal street.

## Moore Leaves Aetna Life Post

Clark A. Moore, since 1929 general agent of Aetna Life at Oakland, Cal.,

has resigned. He has not announced his plans but probably will remain in the business as a personal producer or an independent broker.

Mr. Moore started with the Western States Life in 1917 and has consistently been a large personal producer. He was twice president of the Western States leading producers club, was a director and vice-president of the San Francisco Life Underwriters Association. In 1928 he joined the late E. H. Lestock Gregory, general agent of Aetna in San Francisco, as assistant general agent. When the Oakland office was established in 1929 as an "independent" agency, Mr. Moore was selected to operate it. In Oakland he was twice president of the Oakland-East Bay Life Underwriters Association and president of the Oakland General Agents and Managers Association.

## Mangus with Victory Life

Herman Mangus, Manhattan, Kan., secretary last year of the life underwriters association there, has been named district agent of Victory Life of Topeka. He has been with Prudential.

## Teas Named District Agent

Kasche & Kasche, Milwaukee general agents of Aetna Life, have appointed

Dwight H. Teas district agent for Wood and Portage counties with headquarters in Wisconsin Rapids, Wis. Mr. Teas has operated a local agency there and will continue it, also appointing local representatives for Aetna Life in the two counties.

## Tyndall Rejoins Prudential

Henry F. Tyndall, who has been on leave of absence from the Pittsburgh agency of Prudential as a lieutenant in the navy, has returned to the company and is now with the Newark ordinary agency as assistant manager.

He was a home office representative for almost 10 years before he became connected with the Wheeling and Pittsburgh agencies as assistant manager.

## McKemie Named at Toledo

William R. McKemie, Cincinnati, has been named general agent in Toledo of Acacia Mutual Life. He has been with that company for 13 years, except for his recent war service as a radio operator.

## Smith St. Louis District Agent

Robert F. Smith has become district agent in St. Louis of Washington National, following his discharge from service. Formerly he was associated with his father, the late W. Frank Smith, for many years district agent of Washington National's ordinary department there.

## E. A. Kobilka with K. C. Life

Edward A. Kobilka has joined the W. T. Koop Agency of Minneapolis, as supervisor for Kansas City Life for Ramsey county. He had been connected with Prudential at St. Paul for 15 years. He has returned from a week at the head office of Kansas City Life.

## POLICIES

### Writes Single Premium Form in Multiples of \$25

Homesteaders Life of Des Moines has just announced that it will write a single premium whole life policy which may be purchased in units of \$25 like a war savings bond, or any multiple. Age limits are 15 to 80. At age 16 a single premium of \$11.65 will provide \$25 cash protection; at age 30 the premium is \$14.28 for the same amount, and at age 50, \$18.79.

The policy is designed so that a person who has a limited income systematically may build up a burial fund by purchase of small units periodically without straining his budget. There is a sight draft feature providing quick cash to cover funeral expenses. A claim blank is attached to the policy to expedite payment.

### Increases Annuity Rates

National Life of Vermont has increased its rates for single premium immediate annuities. The change is based on a reduction in assumed rate of interest from 2½% to 2%. The company adheres to the standard annuity table.

### Conduct Economic Survey in West

Transamerica Corporation, owner of Occidental Life of California and Pacific National Fire, has appointed West-Marquis, Inc., Pacific Coast public relations agency, to conduct a survey of economic resources of the far west. According to J. F. Cavagnaro, senior vice-president, the decision to make this survey resulted from a realization that the greatest migration of commerce and population in the recent history of the United States is taking place in the far west. It is felt the facts will stimulate optimism and courage for all interests dependent upon the economic future in that section.

## ASSOCIATIONS

### Full Data on Apps Speeds Up Issuance of Policies

DALLAS—Methods by which home office underwriters and agents can work together to their mutual advantage were outlined by the chief underwriters of four Dallas companies in a panel discussion at the opening meeting of the Dallas Association of Life Underwriters. The speakers agreed that the agent's failure to obtain sufficient data is the big stumbling block that slows down the processing of applications and the issuance of policies.

### Effect on Liberality

"In the absence of facts, we must be more strict; when we have complete information, we can be more liberal," Robert B. Caplinger, Reserve Loan Life, pointed out.

E. F. Brewer, Republic National Life, urged agents to be frank with their policyholders with reference to rated policies and thereby avoid kickbacks later when some other agent calls the attention of the policyowner to the fact that he has a rated policy. The home office underwriter and the agent should work on a basis of mutual confidence, which will enable the agent to profit from confidential information that could become available to him on such a basis.

Pointing out that the home office underwriter is working as much for the agent as he is the company, Jack H. Penner, Great American Reserve, counseled agents to report the facts as they see them in submitting business.

"By failing to do your job properly the first time in filling out the application, you run the risk of having the prospect back out every time you have to go back for additional data about the applicant," W. H. Blaney, Southland Life, panel chairman, emphasized. The agent and the home office underwriter are both working toward the same goal. Both have a responsibility to their company. The agent should ask himself "If I personally were accepting the risk and were agreeing to pay the claim, would I accept such a risk?" The agent should be sure that all application questions are answered. To catch possible oversights, he should check back over the application while still with the prospect, Mr. Blaney advised.

### Refresher Course Plans

At a directors' meeting it was decided to hold a short refresher class for agents returning from military service and war work. The educational committee is headed by J. Max Spangler, Kansas City Life. The committee will

## OPPORTUNITY

Growing New York City General Agency seeks supervisor. Qualifications: no previous supervision or management work—approximately 5 years successful life insurance selling background. Age 28-38. College graduate preferred but not necessary. This position offers the opportunity to learn successful methods of recruiting, induction training and supervision. Salary open. Our organization has been informed of this ad. Reply Box C-79, The National Underwriter, 99 John St., New York 7, N. Y.

### ACTUARY WANTED

Opportunity for young man with actuarial training and background. Home office experience not necessary but preferable. Excellent opportunity for advancement in a growing Middlewestern Company. Address C-74, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

## Free Enterprise

A knack for finding prospects and turning them into policyholders will net profitable returns today . . . especially with a company that stresses growth. The future never looked brighter.

Shenandoah Life offers a complete line of policies. Agents' contracts are fair, with liberal first year and renewal commissions. Friendly home office service, plus highly efficient field cooperation: group insurance for agents at company expense.

Opportunities in Virginia, West Virginia, North Carolina, South Carolina, Tennessee, Alabama, and Mississippi.



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also sponsor an advanced study course on Part D of the C.L.U. examinations.

#### Kansas Conference Oct. 24-25

Pendleton A. Miller, New England Mutual, Topeka, president of the Kansas Association of Life Underwriters, has announced a meeting of the officers and directors in Lawrence Oct. 24-25. Officers of the N. A. L. U. will be in attendance.

#### Plan Southeast Kansas Congress

Arrangements for the annual sales congress of the Southeast Kansas Life

Underwriters Association were made at a meeting in Parsons. The congress will be held in Coffeyville under the supervision of the Coffeyville association Oct. 26.

Clyde O. Braden of Independence will be general chairman and F. C. Kirkpatrick of Parsons, program chairman. Mr. Kirkpatrick acted as chairman of the Parsons meeting.

#### Dillener Missouri Secretary

Adam Rosenthal, Acacia Mutual Life, St. Louis, as president of the Missouri Association of Life Underwriters, has appointed Weldon Dillener, New York Life, St. Joseph, secretary of the state association. Mr. Dillener is a past president of the St. Joseph association.

**Nashua, N. H.**—New officers are: President, Herman H. Davis, Davis Insurance Agency; vice-president, Ellis A. Smith, Metropolitan Life; secretary, Armand Charpentier.

**St. Joseph, Mo.**—Ed. Bird, New York Life, was appointed chairman of the veterans' affairs committee. A committee was named to draw up a memorial on the death of Shelley F. Miller, with Penn Mutual for 58 years and one of two honorary association members, who died a week ago. Distribution of the "Handbook of Life Insurance," was authorized. A copy will be placed in the hands of every teacher in St. Joseph schools.

**Murfreesboro, Tenn.**—A new association has been organized here with these officers: Sam S. Hamilton, president; Hugh S. Gladish, vice-president; C. E. Newsom, secretary.

**Mexico, Mo.**—A new association has been formed, with these officers: President, Charles C. Gage; vice-president, D. C. Hanley; secretary, Harry Harper. Adam Rosenthal of St. Louis, president Missouri association, installed the officers.

**Grand Rapids, Mich.**—Charles C. Chamberlain, Travelers, has been elected president. Vice-president is Robert C. Reed, Pacific Mutual; secretary, George Moritz, Aetna Life; national committeeman, Charles E. Brown, Mutual Life.

**San Antonio**—A. J. Ballard, general agent of Minnesota Mutual Life, spoke to the women's division on the value of knowing an organized sales talk so thoroughly that it is a part of the salesman. He cited as examples two men who without previous experience had written at the rate of \$750,000 their first year. He gave a demonstration of his company's sales presentation on the retirement income plan.

**Allen-Neosho County, Kan.**—The association has taken steps to assist returning veterans with National Service Life Insurance. The next meeting will be held in Iola Sept. 21.

**Seattle**—Sanford M. Bernbaum, Penn Mutual, a member of the Million Dollar Round Table, has been elected president.

## CHICAGO

#### KING STATIONED IN CHICAGO

James D. King now is stationed in Chicago with Berkshire Life as a field supervisor with jurisdiction over 10 mid-western agencies. These are Chicago, Des Moines, Detroit, St. Louis, Indianapolis, Cincinnati, Louisville, Dayton, Cleveland and Minneapolis. He has office with B. C. Howes, the Chicago general agent.

Mr. King has had long life insurance experience, having been an agent, then a supervisor in Baltimore, where more recently he was the Berkshire's general agent. He has been with Berkshire since 1933 except during naval service. At one time he was connected with New England Mutual.

He entered the service as a lieutenant commander and was elevated to commander, being in Florida where he had to do with instructing personnel. He also was in the navy in the other war.

#### PAPENHAUSEN IS BACK ON JOB

John W. Papenhausen, brokerage manager of the Arda C. Bowser agency

of National Life of Vermont in Chicago, who went into a war plant there in January when the government's "work or fight" order was promulgated, now has returned to resume his post with the shutdown of the plant. He has been with Mr. Bowser since July, 1943.

#### ANOTHER SERIES OF EXAMS

Examinations for brokers and agents licenses will be held Sept. 18 at 9:30 a. m. in Room 338, Board of Trade building, Chicago, by the license division of the insurance department, H. Walter Han-

son, Jr., supervisor of licenses, announced this week. Richard I. Bowen and Joseph S. Gerbert, examiners, are directly in charge.

#### LUNOE OPENS OFFICE

L. R. Lunoe has opened his new office at 2121 Bankers building, Chicago, for Union Mutual Life. He will build up a Chicago agency and also has all of Illinois, Indiana and Michigan under his jurisdiction. He will supervise Chicago and the outside territory at the same time. Mr. Lunoe was formerly

1905 — 1945

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January 1, 1945

★ LIFE INSURANCE IN FORCE...\$117,599,824.00

Total Admitted Assets.....\$26,822,165.42

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Unrealized Profits.....968,598.59

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Attractive General Agent's contracts now being offered for territory in the mid-west.

### "Registered Policy Protection"

#### PROTECTING OUR AGENTS and all others

This Company does not solicit brokerage business, for two reasons:  
1. Protection of contract and territorial rights of our own field representatives.  
2. In recognition of time and money other companies have invested in their agencies.  
General agents and salesmen alike are entitled to this consideration, and we are confident that it produces a more genuine feeling of partnership between this company and its agency organization.

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Theo. P. Beasley,  
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You Can Plan Today For  
Your Production and  
Home of Tomorrow

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Money for...

- PRODUCTION
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OUR BUSINESS is loaning you money in substantial amounts... the one source in the U.S. that specializes and really understands your needs.

A renewal loan of \$4,500 costs you only 11 cents per day per thousand dollars.

A unique plan developed by us in cooperation with the Northwestern National Bank of Minneapolis.

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general sales director of Commonwealth Life, Louisville. Previous to that he was with Mutual Trust Life, first in the head office in Chicago and later in charge of the eastern department. He will open an accident and health department and will appoint a supervisor. Union Mutual is now writing accident and health. Mr. Lunoe is an experienced organization man.

#### KIRKPATRICK TO SPEAK

A. L. Kirkpatrick, insurance editor of the "Chicago Journal of Commerce,"

who on Oct. 1 will take a new position in Washington, D. C., as manager of the insurance department of the U. S. Chamber of Commerce, will be the guest speaker at a luncheon given by the insurance group of the Union League Club, Sept. 13. Mr. Kirkpatrick will speak on "Insurance and Insurance People as I Have Seen Them as a Reporter."

On Sept. 6, Chief Frank C. McAuliffe of the Chicago Fire Insurance Patrol, who has just returned from a four months trip through Europe as a mem-

ber of the bombing survey mission, will tell of his experiences at a luncheon meeting of the insurance group.

## SALES MEETS

### Equitable, Ia., to Meet in Quebec

Equitable Life of Iowa will hold its first production club convention since 1942 at Chateau Frontenac, Quebec, July 1-4, 1946. R. E. Fuller, agency vice-president, announces. More than 300 field representatives and general agents will attend, including many of the 135 men who were inducted into the armed forces and earned attendance rights under special wartime provisions granted them.

### Schwemm Agency, Chicago, Meets at Delavan, Wis.

Agents in the Chicago office of Great-West Life held their annual outing and business conference this week at Lake Lawn hotel, Delavan, Wis. Manager Earl M. Schwemm presided and announced that the agency again is leading all the company's branches in both the United States and Canada with record paid business volume.

Attending from the head office was A. H. Sym, in charge of the accident and health department, who talked on that subject. A new juvenile insurance sales program and kit prepared by Manager Schwemm was announced. There was discussion of National Service Life Insurance and of the Illinois Round Table of quarter million dollar producers and the advantages of qualifying for it.

The new material prepared by H. P. Gravengaard, associate editor Diamond Life Bulletins, on partnerships, and new Estatograph visual sales material were described. J. A. Churchman, group supervisor at Chicago, took up group insurance. Mail canvass and special contracts were discussed by Sol Sackheim, supervisor. There was a dinner the first evening.

### Hemphill Agency Meets

The Hemphill agency of Equitable Society in Oakland, Cal., held its annual educational conference this week at Lake Tahoe, Cal. Family income policies were discussed by E. A. Majors, Jr.; business insurance and future business

conditions by G. C. Mortensen and promoting sales by agents by D. R. Pen-

der. Methods of aiding returned veterans were covered by I. B. Aylesworth and the use of the retirement income policies by J. B. Bostick. Ron Stever, Los Angeles general agent discussed developing efficient prospecting methods and efficient self organization.

A round table discussion was led by C. B. Turner and the use of non-medical in rural territory and the favorable farm market was discussed by C. E. Senechal.

The value of consistent regular sales production was pointed out by N. R. Riddle and the favorable market for women prospects reviewed by L. A. Wyllie. Juvenile sales opportunities were emphasized by C. Diamond.

Methods of selling the orphan policyholders and the use of farm leads were discussed by H. M. Korbholz, group sales opportunities by R. B. Allen, and the opportunity to discount premiums by S. W. Coombs. Manager A. D. Hemphill presided.

## MANAGERS

### Take Advantage of Removal of War Clause: Lackey

DETROIT—If agencies are to benefit by the announcement of the removal of war clauses, policyholders should be notified immediately, G. E. Lackey, Detroit general agent Massachusetts Mutual Life told the Detroit-Windsor Life Agency Cashiers Association.

"We have been taking benefits out of our policies. Our field underwriters have run to the public to tell them to hurry and get the benefits. The same is true of the war clause; its removal adds to the value of the policy and it is something we should encourage our underwriters to tell the thousands of persons who have bought life insurance in the past four years," he declared.

"The general acceptance by the companies of aviation risks is another important piece of news. It won't make any difference to most of us whether our policyholders fly in private planes or on commercial airliners. We are ready and willing to insure pilots," he pointed out.

### Study Guertin Laws

The adoption of the Guertin laws is one of the most significant changes that has taken place in the business in the past 100 years, Mr. Lackey stated. Literally billions of business will be written in 1946 and 1947 because of this change, he predicted. "It behooves every cashier to read the Guertin law and know what it implies. Your public at the counter and the people in the street will be seeking the answers."

Cashiers, clerks and all field men and women should know the provisions of the National Service Life contracts. Only 20% of the men discharged from the services are keeping up their National Service Life. "That is a challenge to us to let them know the value of maintaining it," he declared.

Cashiers could do a much better job than they are doing in explaining social security to the public. Some 25 to 30 million people have an interest in it and it is woefully misunderstood and unappreciated. "You are in a position to shape public opinion in our favor, and public sentiment is terribly important."

### Service for Veterans

Mr. Lackey predicted that returning veterans, accustomed to rigid discipline, will be more demanding than agents now in the business. "We must be ready for this challenge. It is a good time right now for a housecleaning. It behooves us to be thoroughly posted on the changes that have taken place

# OPPORTUNITY

We have several choice territories now open for general development. If you are interested in this kind of opportunity with a progressive, fast-growing, financially strong company, this may be what you are looking for. A few of the important territories now available are listed below.

## AGENCY OPENINGS!

Knoxville, Tenn.  
Charlottesville, Va.  
Atlanta, Ga.

Asheville, N. C.  
Greenville and  
Spartanburg, S. C.

## PROTECTIVE LIFE INSURANCE COMPANY

WILLIAM J. RUSHTON, President  
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## COMPLETE BROKERAGE FACILITIES

All Life, Endowment and Annuity Plans.  
Favorable Par. and Non-par. rates.  
Standard and Sub-standard risks.  
Facilities for handling large cases.  
Civilian Foreign Travel Coverage.  
Annuities — Single Premiums up to \$100,000.  
Prompt and Efficient Service.

INSURANCE IN FORCE, 790 MILLION DOLLARS

(Including Deferred Annuities)

ASSETS, 264 MILLION DOLLARS

## INSURANCE COMPANY

HEAD OFFICE:  
TORONTO, CANADA  
Established 1887



since they left us. It is my opinion that you cashiers should read at least eight to ten hours a week if you are to keep abreast of the times in our business. Don't get in a rut. Change things around. Consider that you are moving into a new city with a new agency every year and act accordingly. We are in process of rebuilding ours now. Let's forget the past and build for the future and through it all, we will do a better job for the public and the institutions we are working for."

### Indianapolis Managers Show Gains for Half Year

The Indianapolis General Agents & Managers Association will hold its opening fall meeting Sept. 17. The new Butler University insurance education program will be discussed.

In response to questionnaires, 23 members reported an increase in business for the first six months of \$4,974,801 or approximately 20% over the corresponding period in 1944, compared favorably with the nationwide increase of 13%.

The 23 agencies reported inducing 50 new men, who averaged \$55,752 of new sales. Some of these, of course, were not selling for the full six months and

to that extent the showing does not give full credit for the quality of production. Another like questionnaire has been sent out covering July business.

### Chicago Life Managers to Elect Staff Oct. 4

The Life Agency Managers of Chicago will hold their annual meeting Oct. 4.

B. C. Howes, general agent of Berkshire Life, now is president. The organization is sponsoring a managers conference at Peoria Sept. 11-13 devoted to current problems.

### C.L.U. Work at Trinity of Tex.

At a meeting of the San Antonio Life Managers Club, O. R. McAtee, Republic National, president of the San Antonio Association of Life Underwriters, announced that arrangements have been made with Trinity University, Waxahachie, Tex., to give the C.L.U. work, members of the group to receive college credit.

Paul Creamer, Southwestern Life, stressed the thought that lack of prestige can be overcome only through selection and training of the better type of agents.

B. A. Wiedermann, Union Central Life, developed the importance of attending state conventions, company agency meetings and local meetings where outstanding men may be heard and lessons which may have been forgotten may be brought to mind, along with new ideas.

### Stull Is Seattle President

Franklin G. Stull, general agent of Penn Mutual Life, has been elected president of Seattle Life Managers Club.

The Life Agency Cashiers Association of San Antonio, August 23, heard Russell Good, agency secretary of American Hospital & Life, trace the development of hospitalization insurance.

## FRATERNALS

### Florida Fraternal License Law Claimed Invalid

The new Florida insurance tax law, imposing a levy on fraternal societies, is valid but the insurance commissioner's demand for payment of a \$6 annual license tax on each representative or agent of a society is unauthorized, George G. Perrin, chairman of the National Fraternal Congress law committee, reports. His announcement is based on an interim opinion rendered by the Jacksonville, Fla., law firm of Howell, McCarthy, Lane & Howell which was retained by the N.F.C. to pass upon the validity of the two bills, known as house bills 406 and 408.

Chairman Perrin informs the N.F.C. member societies that they must determine for themselves whether they wish to pay the half year license fee of \$100 as requested by the commissioner, and suggests that if the fee is paid the communication to the commissioner state definitely it is being paid under protest, that the law requiring it is believed to be invalid, that if subsequent investigation confirms that belief a refund will be demanded, and if the state does not refund the money legal action to recover will be instituted.

The law committee has requested the legal firm to communicate with the Florida department concerning the allegedly

invalid \$5 license tax on agents and advise on outcome of the conference. Mr. Perrin suggests to N.F.C. member societies they may wish to write the Florida department they are withholding payment of any license tax on agents until the conference on this question has been concluded.

### California Now Requires License for All Agents

Fraternal agents operating in California who devote "substantially full time" to selling life and disability insurance must qualify for licenses as do agents of other types of carriers, including examination, under a new code section. Full time agents who were with the society they represent prior to March 1, 1945, will not be required to take the usual examination but must apply for and obtain licenses. Other agents need not obtain licenses but must be registered with the department.

Solicitation of membership in a fraternal is not to be considered a sale of life or disability insurance as such. Commissioner Garrison interprets this to exclude members soliciting memberships voluntarily, for the good of the order, and not for pay. He will consider anyone else who solicits or negotiates, either be-

fore or after issuance of a benefit certificate, or who executes a policy or insurance certificate, as an agent, except persons employed at a home or branch office who do not solicit or negotiate insurance but merely sign policies or certificates.

The commissioner has provided societies with forms to be used in meeting requirements of the law. Societies must file a properly executed blank indicating officers or employees empowered to appoint agents, and must obtain a supply of original agents' license application blanks, complete and file them with fee of \$2 each attached.

Agents previously listed as working prior to March 1, 1945, will receive licenses on receipt of application without qualifying examination. All others will get a certificate of convenience until they are called up to take the examination when—if they pass—they will receive a permanent license. These examinations will be held four months after the certificate of convenience is issued.

### W.O.W. Bond Total Grows

Woodmen of the World, Omaha, recently was credited in an incomplete report with buying \$5,051,102 of war bonds in the 7th war bond drive, but final report from H. L. Rosenblum, pub-

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### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller Supreme President Frances D. Partridge Supreme Secretary  
Port Huron, Michigan

## RAINBOW'S END

There's a Rainbow's End in the Home Office records of every one of the hundreds of salesmen of the Bankers Life Company of Des Moines. Sometimes it's where it would least be expected, but there it is: A Pot of Gold and of Service.

Here are a few extracts from the salesmen's reports:

R. H. Hepfer of Berkeley, California, while traveling on a train, met a young Lieutenant, an attorney in civilian life.

"I sold him a \$2,000 policy for his 10-months old baby", says Mr. Hepfer. "He did not have his check book with him, but a few days later I received a swell letter, with the check".

\*\*\*

Henry Gau of Pierz, Minnesota, went to call on the operator of a moving picture projector.

"The machine was in operation during a performance", says Mr. Gau. "On the door hung a sign 'No Admittance'. There is nothing wrong with my lungs and I was able to drown out the loud speaker and make the operator understand that 'Money Talks'. After having him sign the app, I took over the operation of the machine while he phoned for an appointment with the doctor."

\*\*\*

Flint Sellars of Paducah, Kentucky, returned from a hospital where he had undergone an operation.

"I sold a policy to my next-door neighbor who came over to see how I was feeling", says Mr. Sellars.

\*\*\*

Arthur Glick of Creston, Iowa, called at the office of the Internal Revenue Department to pay his federal income tax.

"I figured that by putting out all that good money, I should get a return somewhere", says Mr. Glick. "I did. I sold the Tax Collector a nice policy."

\*\*\*

Cyril Manning of Juneau, Wisconsin, operated on for appendicitis, sold a policy to a Hospital visitor.

"Not one of the nurses", says Mr. Manning. "Just a girl who happened to come in—pretty girl, too."



**BANKERS Life**  
the Double Duty Dollar Company  
DES MOINES

licity director, indicates the total was \$9,393,583. The home office bought \$4 million, officers and employees \$23,926, members other than officers, and sold by members to others, \$5,369,657. The home office bought \$3 million in National Fraternal Week and members bought and sold \$2,754,571 in the week. Mr. Rosenblum was chairman of the National Fraternal Congress activities in the week.

### Wisconsin Fraternalists Confer in Milwaukee

NEENAH, WIS.—Eighteen executives of 11 fraternal organizations in Wisconsin held a conference as guests of Equitable Reserve at its home office here, with President N. J. Williams, past president National Fraternal Congress, as host. Matters of interest to fraternalists were discussed and views on business problems exchanged.

In attendance were A. O. Benz, president, and LeRoy G. Stohlman, secretary, Appleton, and Otto C. Rentner, Chicago, vice-president and general counsel, Aid Association for Lutherans; J. G. Grundle, Milwaukee, secretary Catholic Family Protective; J. J. Fiedler, Milwaukee, secretary, and J. F. Walsh, Potosi, president, Catholic Knights of Wisconsin; Elmer Anderson, Eau Claire, grand secretary, Scandinavian American Fraternity; S. A. Oscar, president; R. L. Blodgett, secretary, Madison, and H. W. Adams, Beloit, general attorney National Mutual Benefit; D. W. MacMeekin, Two Rivers, state manager Modern Woodmen; Albert Pawlak, Milwaukee, secretary Federation Life; J. P. Michalski, Milwaukee, secretary Polish Association; Mr. Williams, Dr. G. H. Williamson, vice-president and medical director, M. L. Ridgeway, secretary; R. G. Pope, auditor, and Dio W. Dunham, editor, Equitable Reserve.

### Wis. Fraternal Bill Vetoes

MADISON, WIS.—Gov. Goodland vetoed a bill which would have exempted benevolent societies from the fraternal benefit society law. The exemption would have applied to societies with less than 2,000 members and paying no more than \$2,000 death benefit to members. The insurance department opposed the measure in committee hearings on the basis that the societies should conform with insurance law and be required to set up certain reserves.

### W.O.W. Dramatic Radio Series

Benefits enjoyed by members of Woodmen of the World Life of Omaha, their families and beneficiaries, and the services rendered by the society and its local camps will be told in a series of dramatic radio programs entitled, "The Silver Lining," to be broadcast over 37 radio stations in 16 states starting the first week in September.

Each program will present a dramatized story based on true-to-life experiences of Woodmen members or families of deceased members.

At the close of each program, a national officer will speak briefly on some phase of fraternal insurance protection or the "protection plus" benefits enjoyed by members through ritualistic programs and fraternal, civic and social activities of local camps.

## NEW YORK

### OSHIN-HUBER SEMINAR

The annual seminar of the Oshin-Huber agency of the Home Life at New York, which is currently its leading agency for 1945, is being held this week.

The program includes techniques and procedure under Home Life's "client building through planned estates" and general sales procedure and phases of advanced underwriting; interview demonstrations by J. D. Garfunkel, Alfred Berman, David Adelman, Daniel

Spooner, J. W. Newman, L. R. Miller, Carl Spero, and Louis Loft; a talk on motivating by Mr. Huber; a panel on answering objections by Louis Loft, Alfred Berman, L. R. Miller, and Louis Freedenberg. Other topics on the agenda are client and prestige building and time control, followed by a clinic on advanced estate planning.

### GILHOOLEY IN N. Y. POST

John C. Gilhooley has been made supervisor of the New York midtown office of Union Mutual Life. M. J. Denda is regional manager. Mr. Gilhooley is a graduate of Columbia University school of business. He has been with Fidelity & Casualty since 1937 serving in supervisory and personal production capacities in New York City, Philadelphia and Scranton.

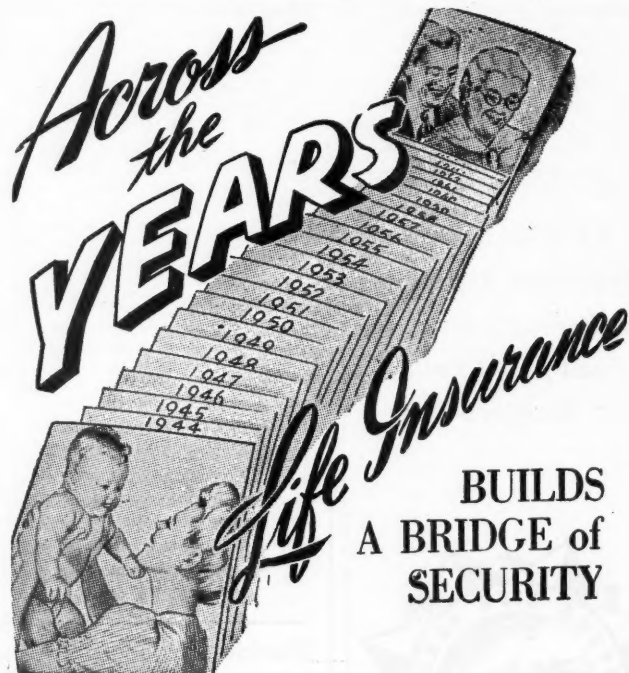
The Denda office leads all company agencies in paid production to date for

this year and indications are that it will break all individual agency production records for this year.

### Continental Assurance Reaches \$535,000,000 Mark

Continental Assurance of Chicago passed the \$535 million dollar mark of insurance in force this week. The company has had unusual success. It started purely as a non-participating company and maintained that standard for many years. A few years ago it entered the participating field and now production in that direction is much greater than non-participating. Its agents switched over to participating and are giving that their major attention.

Want direct-mail sales aids in accident and health? Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.



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*Life Insurance Company*

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## Reno Feted on 25th Anniversary

(CONTINUED FROM PAGE 2)

income, the tax squeeze is felt by many. Although there is talk of reducing taxes, in face of a huge national debt and a large national budget it is not going to be possible to provide relief except for those in the low income groups. By increasing the exemptions from \$500 to \$600 and by grading down the surtax there will be some relief. Elimination of the duplicate tax on corporations and individuals as well as the excess income tax on corporations is being considered but all these contemplated changes will not affect the bulk of the middle and upper income groups to any marked extent.

This tax situation provides an opportunity for the alert underwriter, Dr. McCahan asserted. The margin between a man's living expenses and his total income is reduced by taxes to the point where he must be more careful in saving the difference. The same is true in estate taxes. With the government taking a larger slice of the estate it is all the more necessary to plan the distribution of what is left so it will do the desired job. It is not a question of conserving the estate indefinitely but of liquidating it in the most advantageous manner.

### Taxes Stimulate Sales

High taxes on corporations have had a tremendous effect on insurance sales. Although taxes should be secondary in considering corporation insurance plans, actually they have been a motivating factor. The predicted reduction in corporation taxes may change the picture so it is essential that insurance programs be geared to the fundamental need instead of to taxes.

Reduced income on gilt edge securities, now about two thirds of former returns, with taxes reducing the net income still further, makes it essential to plot investment programs more carefully, Dr. McCahan said.

Governmental emphasis on aid to small business will stimulate business insurance opportunities. Upward trends in living costs make it difficult for persons with fixed income. Groups, such as teachers, are finding action slow in getting their incomes readjusted to present day costs.

### Education More Important

In diagnosing and fitting needs to meet these situations, Dr. McCahan declared that education becomes even more important. The C. L. U. movement has grown out of these conditions and has experienced substantial and persistent growth. It is not only essential to have the aptitude and willingness to work to succeed in life insurance but training as well.

Urging agents to sell life insurance as comprehensive coverage, Philip B. Hobbs, Chicago manager Equitable Society and vice-president National Association of Life Underwriters, said that field men should think in terms of life insurance covering every contingency of life. Removal notices from agencies in other cities have always been profitable source of business but demobilization will bring 350,000 veterans to Chicago with an average of \$9,800 insurance. These veterans have been trained to think of their National Service Life insurance in terms of monthly payments so that it will be comparatively easy to show them how to build up these monthly payments averaging \$45 through life insurance. In the first war risk insurance emphasizing lump sums stimulated insurance sales but monthly payment thinking will provide even more fertile ground for sales development, Mr. Hobbs predicted. Veterans' children will need insurance which should stimulate juvenile sales.

A nine point program was suggested by Basil S. Collins, assistant vice-president Old Colony Trust Co., Boston, and a director of the American Society of C. L. U. Life underwriters and trust officers should recognize each other's

institutions and the knowledge and experience of each. They should be unselfish in handling the prospect's interests and create in the client a sense of confidence in each other and the institutions they represent. They should co-operate with each other in successfully promoting the sale of life insurance and the appointment of the corporate fiduciary in the needed capacity under the will, trust or escrow agreements involved. They should be diplomatic in their suggestions of any changes in each other's plans and make it a practice to confer with each other before the joint conference with the prospect to the end that both will retain the prospect's confidence until the proposed estate plan and insurance sale are concluded. The life underwriter and trust officer should make studies of the services that each is offering to the same public and the variance in sales psychology that each group employs. They should also recognize the role that the lawyer must play in the estate planning arrangements.

There are five general types of business insurance, Mr. Collins pointed out. First, for the purpose of obtaining credit or capital insurance is carried on the outstanding brain of the corporation for the express purpose of engendering confidence. Second, comes key man insurance covering corporation officers with highly specialized knowledge whose life value is based on the value of the business he controls or the profits resulting from his technical skills. Mr. Collins termed this shock absorber insurance to provide capital at a time when it is needed to make adjustments. Then there are three types of purchase and sale business insurance plans.

### Brains Represent 85%

Corporations cover property by fire insurance, labor by compensation but brains, which represent 85% of the value of the business, are as a rule left practically uninsured. Only 3% of life insurance is written for the purpose of business insurance. In Mr. Collins' opinion, business insurance is the most under-emphasized subject in the industrial and business structure today.

Purchase and sale business insurance agreements covering close corporations and partnerships provide cash from which the decedent's family may be paid the market value of all or part of his interest in the company. Such agreements also provide greater assurance to surviving partners or stockholders that they will be able to continue the control and management of the enterprise. Another advantage of the plan is that a definite method is established of arriving at a fair valuation of a decedent's interest in the business.

### Agree to Buy Interest

Under a business insurance trust, associates in a business enterprise agree among themselves and with the trust institution that when one of them dies, a surviving employee or employee, or the surviving stockholders or partners will purchase his interest, that the administrator or executor of the decedent's estate will sell or release his interest to the survivors, and that the trust institution as agent of the respective parties will carry out the details of the sale.

Proprietorships offer one of the most lucrative and interesting types of business insurance sales, according to Mr. Collins. The success of most sole proprietorships is almost exclusively dependent upon the proprietor's experience, personality, character and driving power. By underwriting these life values the proprietor's family is benefited immeasurably, inasmuch as the future income of the family is received from insurance proceeds, and his family does not become dependent upon the hazard of the successful continuation of the proprietorship by others.

Where the proprietor has one or two

responsible and faithful employees, the sales problem is one of arranging to furnish sufficient cash to enable them to purchase the business at his death. If the employees are financially competent to pay the premiums on this insurance themselves, the problem is simple. If this is not possible it seems prudent for the proprietor to arrange for his business to pay the premiums. In this case the proprietor also should enter into an agreement with the employees whereby at his death they would be given the right to purchase the proprietorship in such shares as are agreed upon. The agreement should also state that the employees should compensate the estate of the proprietor for all or part of the premium paid prior to his death. The amount to be paid should be stipulated in the agreement.

Such a plan, Mr. Collins emphasized, ties the employees in with the business,

and offers them a future interest in a business to which they have contributed, thus tending to keep them interested in it and satisfied with their positions. Furthermore, such a plan goes far in deterring them from starting a similar business in competition, either while the proprietor is living or after his death. Still another sales point is that not only will the employees obtain the business on the death of the proprietor, but by reason of this, they will not have to work for the family without just compensation. It is often this question which creates disturbing situations between his family and the employees in a proprietorship after the proprietor's death.

A different plan which has been employed is to provide under the will of the proprietor that upon his death his business will be incorporated and all the stock issued to his estate. The employees take out life insurance on the propri-

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etor's life to the value of the proprietorship, and, if possible pay the premiums themselves. Otherwise the proprietor pays them. The real question then becomes the price which the employee shall pay for the stock which the executor turns over to them. The price might fairly be the full amount of premiums paid, subject to a maximum dollar amount. Generous terms should be granted, possibly permitting the employee to purchase stock by means of notes. Good faith on the part of the employee is, of course, a requisite, Mr. Collins pointed out.

#### Valuation Plans

In regard to valuing businesses, Mr. Collins said that probably the best arrangement is to have the parties agree to the price per share and then to revalue the stock every year, the last price on record with the trustee being the controlling factor. Where there are valuation complications it is advisable to insist that the firm's attorney and accountant be consulted.

Roland D. Hinkle, Reno agency supervisor and vice-president of the American Society of C. L. U., introduced both Mr. Collins and Dr. McCahan.

#### Home Ownership Plan

Sales possibilities of Equitable's assured home ownership plan were explained by Thomas A. Sumner, sales supervisor. Purchasing a home is the largest single financial transaction in the lives of a man and his wife and although conditions may look bright at the time, there are bound to be times of financial stress during the 15 or 20 years the home is being paid for. Equitable's assured home ownership plan ties mortgage redemption life insurance up with the mortgage itself. An ordinary life or 20 pay life contract is used and dividends and cash value can be used in prepaying the mortgage. Emphasis is placed on the value of the policy's cash reserve in providing funds in case of illness or other financial reverses. Mortgage loans are made at 4% on 66⅔% of the property's value. Prepayment privileges are especially liberal and there is no penalty after the fifth year compared to three months interest required by most building and loan associations and 1% of the original principal by the Federal Housing Administration.

#### Group Sales Possibilities

Group business not only results in immediate sales but also creates many contacts, Henri I. Coueron, agency group supervisor, pointed out. About 75% of group policyholders are underinsured and surveys show that from 46 to 74% of group policyholders who die leave no other insurance. Group annuity contracts are especially advantageous at the present time. When the time comes when war bond salary deduction plans are terminated, agents should be on their toes to substitute group annuities, Mr. Coueron said. He expressed confidence that postwar group sales will continue at a high pitch. Although war industries were big group buyers immediately after Pearl Harbor most of the business in recent months has been coming from peace-time industries so that the end of the war will not upset sales to any great degree, he predicted.

Mr. Reno urged continued effort in reducing the inflation threat by getting people to put excess spendable income in insurance. Although the war is over there is still a tremendous battle ahead in relieving insecurity and want through life insurance.

#### To Confer on War Clause

TORONTO—Canadian life companies are looking into the general situation of war clauses and a meeting will be held soon to decide policy.

Following VE day, Canadian companies dropped war clauses against military personnel, except where death occurred from war services in the Pacific

## Orr Takes Over in American Society

(CONTINUED FROM PAGE 1)

bers of its board. Another change was to include in the society's objectives a statement pledging cooperation with the National Association of Life Underwriters and its affiliates.

Mr. Hinkle was placed in charge of membership extension and will put on a campaign to get the 20% of the C.L.U.'s not now members to join the society. He will also seek to form new chapters.

The public relations committee headed by Joseph H. Reese, Penn Mutual, Philadelphia, was granted \$1,000 additional to continue its program. A new booklet, "C. L. U. on The March," is now ready and copies will be sent to chapter presidents and later more widely distributed.

Howard H. Cammack, John Hancock, Charleston, W. Va., chairman of the committee on institutes, was authorized to establish a pilot course at some eastern college. It will last two weeks and be limited to 50. A report will be sent to locals so they can plan similar projects at other colleges.

The successful forum meetings held in Chicago and New York will be extended during the coming year, Carl L. Spero, New York, forum chairman reported. St. Louis, Boston and St. Paul are planning forums and Los Angeles may hold one.

#### Professional Journal

The publication of a C.L.U. professional journal four times a year was authorized following the report by Mr. Krueger who heads the publications committee which has been studying the proposal since it was brought up at the Detroit meeting. The new publication will carry no advertising at the start and if advertising is found necessary later it will be limited. Six issues of the official news bulletin will be sent out during the year. A special chapter service supplement will be sent to chapter officers and interested committee members covering reports and society projects.

Mr. Orr, as seminar program chairman, outlined plans for advance study groups for local chapters covering tax, trust and other related subjects. Many chapters have been holding such classes and others will adopt such programs, he said.

At the dinner meeting James Elton Bragg, Guardian Life, New York, retiring president, enlarged on the idea of holding seminars in the 56 local chapters. Dr. David MacCahan, dean of the American College of Life Underwriters, who is retiring as secretary of the society after 15 years, reported a new chapter in Spokane. Two new company C.L.U. associations have been formed by Equitable Society and Lin-

coln National Life members, bringing the total of such groups up to 50.

Mr. Krueger reported 1,427 paid members and 375 members in the armed forces for whom dues have been waived. He reported that \$4,500 in gifts had been raised, Chicago leading with \$1,995. The society now has its desired reserve to cover operations for one full year. Special gifts will be continued.

The Chicago chapter was host at a cocktail party.

Mr. Orr is a trustee of the National Association of Life Underwriters and chairman of the underwriter education and training and war bond committees.

Mr. Hinkle was advanced from regional vice-president. He is a past-president of Chicago chapter and a director of the Chicago Association of Life Underwriters and of the Life Agency Supervisors of Chicago.

Mr. Krueger, a past-president of Indianapolis chapter, has served as national treasurer since 1939. He is a director of the Indianapolis Association of Life Underwriters.

## Take Bank Stock Issue to U. S. Supreme Court

WASHINGTON—Whether Ohio National Life assumed liability of American Old Line as stockholder of Roseland State Savings Bank of Illinois has been put up to the U. S. Supreme Court in petition of Morris Sachs and others against Ohio National seeking writ of certiorari to review the seventh circuit court's decision affirming a district court judgment in favor of the latter company. Petitioners are creditors of the bank seeking recovery of stockholders' super-added liability imposed by the Illinois constitution and law.

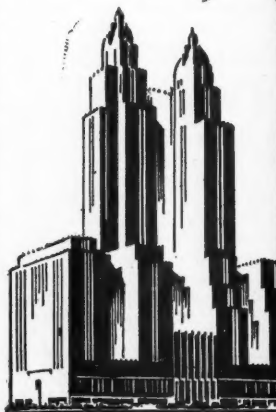
American Old Line owned 1,003 shares of the bank stock on which stockholders liability was \$100,300. It claims Ohio National was liable for Old Line's liability under an agreement to assume the latter's liabilities. The case has been in the courts, state and federal, for 10 years, petitioners having lost all along the line.

## Tryon Los Angeles Speaker

The Life Insurance Managers Association of Los Angeles will hold its first meeting of the season Sept. 10. G. H. Tryon of the Veterans Service Bureau will speak on features of the bureau's work.

W. E. Swan, Detroit, Michigan manager for Modern Woodmen, and Carl F. Shaner, Pirie, Ida., state manager, are observing their 20th anniversaries in September. Mr. Swan has been manager for 20 years and with the society since 1922.

Vice-president V. H. Jenkins of Occidental Life of California has returned to his office after an extended vacation, convalescing from an illness which necessitated his hospitalization while on a trip to the company's eastern agencies last spring.



## Headquarters for Wartime Conferences

"Streamlined" conferences are welcomed at The Waldorf-Astoria. They are accorded the same diligent cooperation and staff assistance that made this hotel the convention center when occasions were more elaborate. Wartime regulations and restrictions are being obeyed, but there is no ceiling on friendliness.

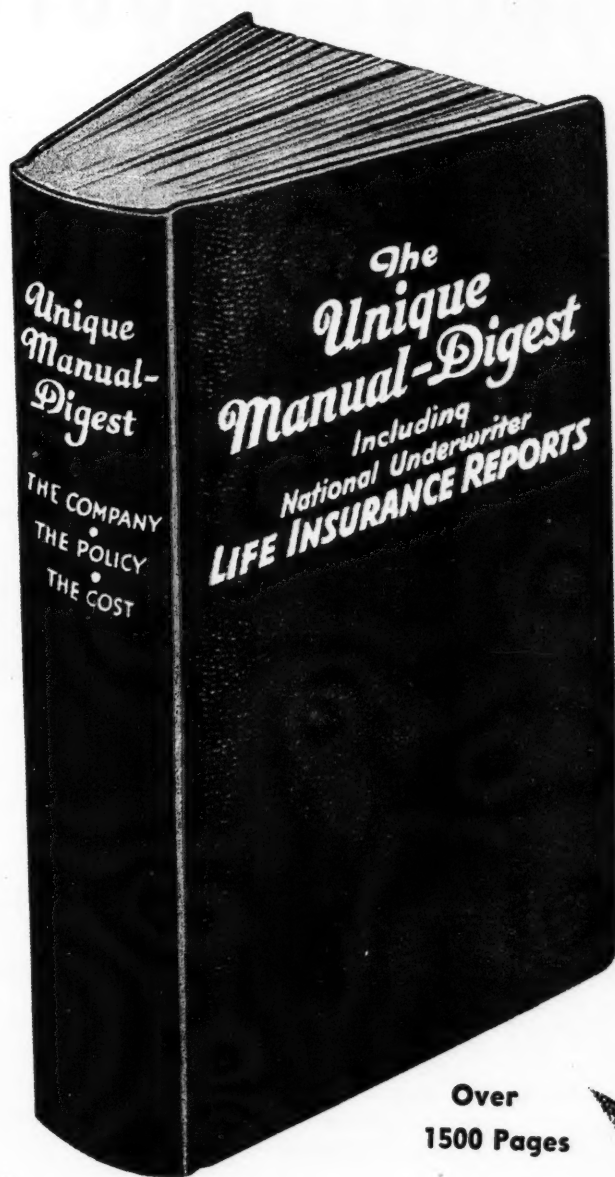
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